**Our Postwar Foreign Trade (p. 9)**

# THE FINANCIAL POST

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**The Nation's Business**

## Foreign Trade Crisis Needs Action Now

Canadian society and nationhood has been built on big foreign trade, and today this phase of our activity ranks us third among the nations—though we are 27th in population.

As shown in a chart and explained in the article on page 9 of this issue, 80% of our foreign trade today is war business. That is an indication of the magnitude of the task ahead of Canada in building our foreign trade position for peace.

New competitive factors too must be reckoned with. Our American friends have put tens of millions of dollars into Latin-America for development, good neighbor and war-winning purposes. They doubtless hope to get some rewards through postwar trade.

As reported in an article from Washington, American civilians are going to wait a long time before they will enjoy the peacetime products to which an increasing number of their war factories are now turning. This essential civilian production is to be reserved for the rehabilitation and replenishment of Europe.

Uncle Sam's foresight and humanitarian zeal in this respect, too, will probably be repaid by new or improved European markets.

The cold fact is, therefore, that Canada now faces the most challenging foreign trade problem in our natural history.

### WE ARE NOT WELL PREPARED

How well are we prepared to meet and beat that problem? Not well.

Is Canadian industry and trade well equipped in vision of the possibilities, in expert knowledge, in executive organization, for making the very utmost of world trade potentialities? To that question only a few firms can give an unequivocal yes.

Yet, in the individual enterprise system, how well the nation meets the challenge depends very largely on how well the individual enterpriser meets the challenge.

True, much depend on Canadian Government policies; on Canada's influence on international policies; on the competence of Canada's machinery to assist the businessmen.

The findings of The Financial Post's Ottawa representative about present trade development activities of both British and American Government departments are challenging; should produce prompt, decisive action by Canada.

Most disturbing, too, are this correspondent's findings as to the staff situation in the Department of Trade and Commerce; as to the inadequacy of our trade commissioner service abroad and continued failure of this department and the Department of External Affairs to work out an efficient modus operandi or an amalgamation in organization for work in foreign fields.

Here is one of the most vital problems Canada faces. On our success in meeting it depends the welfare of all Canadians. The time is very late. Ottawa must not ignore it or delay action on it any longer.

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### THE CRITICAL MOMENT ON PRICE CONTROL

After six weeks, the Administration is believed about ready to make up its mind about the McTague report. A settlement such as that which is now indicated and reported in an article on this page has gravest implications. According to this report, the new wage formula is to be tied to the principle of removing "gross inequalities" and "gross injustices" in wage rates.

The recent steel wage decision has dramatically shown the virtual impossibility of halting general and widespread wage adjustments once started.

An early steel wage decision benefitted only the under 50 cent group. Backing up their original illegal strike with continuous clamor, threats of renewed strikes, well organized pressure, and declining steel production, the steel workers have just got an increase for everybody—from the lowest to the highest paid workers in the industry.

Some 140,000 Canadian railway workers—long the so-called aristocrats of Canadian labor because of the very handsome wages, working conditions, benefits and terms they command—now have an application before the National War Labor Board requesting increases for top, medium and lower pay workers. One aim of the railway workers is to get increases which will lift the running trades to parity with those in the eastern United States.

Quebec textile workers are appealing to the NWLB for similar across the board wage increases.

It needs no prophet to foresee the multitude of further applications that will be made—and very naturally so—if the wage ceiling is cracked.

All these are dangerous omens. They show how swiftly and inevitably higher wage demands become a flood once a trickle starts and how dangerously pressure against the whole price control system will be intensified.

We now stand at the critical point where weakness or cynicism can result in all our self-sacrifice, all our determination to fight and win the war the hard way now to avoid disasters later, will have gone for nought.

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### UNIFIED RECRUITING DEMOCRATIC WAY

Three months after The Financial Post exposed the fact that the mighty Air Training Plan faced closing down of some of its units because of the shortage of air crew recruits, comes the announcement that Canada's three recruiting systems are to be pooled.

Ottawa is to be commended for this wise step in the direction of logic and efficiency. It is unfortunate, however, that it has taken over four years of war to achieve this.

Two things are achieved by the new order:

1. Men entering the armed services can now be sorted out and put into that branch for which they are best fitted by physique, training, personality and ability, and the entire fighting manhood of the nation can be disposed according to the needs of Canada and the United Nations.
2. Men now in the services can be transferred from one to another on the same tests of capacity and need.

This, obviously, is the starting point for building a citizen army for total war. This, obviously, is the only way in which the best possible use can be made of Canada's limited supply of fighting men.

Such a system is most appropriate for democracy. That men should have the highest pride in their particular unit and in their particular branch of the service is to be desired.

But that any of the three services should get the idea that it has attracted the cream of young Canada or that one particular service is winning the war is not what Canada wants.

No uniform in itself holds any honor; any claim to the esteem of the Canadian people. It is the man inside the uniform, his quality, the character of his particular contribution to war winning that matters.

The new system should be helpful in eradicating the undemocratic and most undesirable notion that there is an aristocratic, cream-of-the-crop service; that the wearing of a particular uniform assures public acceptance as a hero.

## U. S. Papers Ignore Word Of Shortage

### Publishers Use Newsprint Freely and Argue Canadian Talk of Manpower Lack Unfounded

By JOHN E. LANGDON

NEW YORK.—Newspaper publishers in the United States continue to use paper freely, at least in the metropolitan areas, in the belief that Canadians are simply crying "Wolf, Wolf!" when they predict a shortage next year.

If such a shortage develops, American publishers told The Financal Post, it will be the fault of the Canadian Government in not working out an effective manpower policy to assure continuity of supply. They believe that the Canadian paper mills themselves are doing all they can to get out paper.

These same sources point out to The Post that Canada's relations with the daily press in the U. S. may take an unfavorable turn over the next 12 months unless present newsprint supplies are maintained or some very effective action taken to convince U. S. publishers that Canada cannot provide all the men needed to cut pulpwood while carrying on a war effort of the present scale.

They counter explanations of the manpower shortage in Canada with two arguments:

1. There are thousands of men in the Canadian Army who would be better employed getting out pulpwood or doing other essential work.
2. They allege that the Government has been lax in not enforcing national registration in Quebec Province, saying there are thousands of men available for work in the bush, but who will not go into the camps for fear of exposing themselves to the Selective Service authorities.

**Uncertain in Mind**

By and large the 1,800 newspaper publishers in the United States are in a state of considerable uncertainty over their 1944 supply of newsprint.

At this stage the authorities do not know how large the cut of pulpwood will be this winter. They do know that, at the present rate of consumption, wood piles will be exhausted probably by next May. Even if the manpower supply is as good as last year, the industry as a

(Continued on page 2, col. 6)

### *Lots of Money For the Loan*

**When the fifth Victory Loan campaign opens on Oct. 18, Canadians will have more money on deposit in the chartered banks than ever before, according to present indications.**

**Savings deposits alone, which dropped $200 millions when the fourth loan was floated in May, had been replaced by Aug. 31 to within $11 millions of the previous high record of $1,926 millions reached on April 30 last. It is estimated that total figures have now exceeded the previous peak. Demand deposits are also expected to set a new high level before the coming campaign starts.**

See article, page 14.

**ENGINEERING CHIEF**

Convocation in Toronto of members of the Engineering Institute of Canada and the American Society of Mechanical Engineers at which experts from both sides of the line shared their specialized experiences was a unique gathering. It served to spotlight, for Canadians especially, Kenneth Mackenzie Cameron, president of the former group. With the multiple tasks of president of a continent-wide organization of engineering experts, Mr. Cameron couples his main job as chief engineer of the Department of Public Works of Canada and chairmanship of the sub-committee on construction projects of the James Advisory Committee on Reconstruction. Born in Strathroy, Ont., he began with the CPR in 1902, joining the Public Works Department in 1908.

## Clothing Order Critics Answered By Gordon

### Donald Gordon Maintains Advance Notice Impossible

By STAFF WRITER

OTTAWA.—Prices Board officials did not believe it possible or practicable to give industry advance notice regarding impending removal of restrictions, according to a statement made this week to The Financial Post by Donald Gordon, chairman of the WPTB.

Mr. Gordon was commenting on the allegation of trade officials and spokesmen that the recent removal of the ban on two-pant suits and trousers with cuffs should have been made after consultation with the trade.

"The Board always has the advice and counsel of its industry administrator," Mr. Gordon told The Post. "Proposed relaxation will, in many cases, be suggested by the administrator himself, but in any event no change would be made in the regulations without giving full weight to the administrator's views. When restrictions are being introduced it has always been Board policy to have fullest consultations with each industry, but the same degree of consultation will not be possible on the removal of restrictions, unless, as in similar cases, it is the trade or industry administrator himself who finally finds and approves the order.

"The relaxation of orders restricting manufacture of goods affects not only manufacturers but also distributive trades. If the Board attempted to consult all concerned it would

(Continued on page 2, col. 4)

### Trade Holds End 2-pant Ban Unwise and Poorly Handled

Ottawa's action in rescinding the two-pant suit ban was taken at a time when the situation in the clothing industry demanded the continuation of restrictions, it is charged by Stylewear, trade journal of the men's clothing industry published by The MacLean Publishing Co.

"That this change in the order is purely political and not made at the behest of WPTB administrators is the opinion of a great many associated with the men's clothing industry," Stylewear reports.

"If the order has not been changed for political reasons, why would unpaid administrators make themselves appear foolish in the eyes of the trade and the public by such a complete reversal of attitude to serious conditions which still exist in the men's wear trade? These men have endeavored in every possible manner to convince retailers and consumers of the need of clothing restrictions ever since March, 1942, and conditions have not changed materially during that time," the Stylewear editorial continues.

Underlying the continued shortage in materials for men's suitings is the fact that although supplies of raw wool in Canada are reported adequate, there has as yet been insufficient free milling capacity to build up supplies of suiting materials. Until recently, preoccupation of Canadian woollen mills with war orders

(Continued on page 8)

**Elson from Washington**

## *Is Canada to be Left Out?*

- **Roosevelt's Free Air Policy Jars Canadian Interests**
- **Commercial Policy Talks Reveal U. S. Prefers Piecemeal Approach**
- **Global Air Plans Void Without Soviet Union**
- **Hope Cordell Hull in Moscow to Learn What Russia Wants**

Against the background of an Empire postwar air conference about to assemble in London, President Roosevelt's broad statement of American policy of what he called "a free air," jolted Canadian circles here. Particularly Mr. Roosevelt's observation that he and Mr. Churchill had discussed the matter and were in general agreement.

The question raised was simply this: Are postwar policies to be settled upon broad issues in such informal conversations, leaving only the technical details to be worked out later? This implies no criticism of the American War Chief who has, of course, every right to talk to Mr. Churchill on every matter under the sun. But it does reflect concern lest too much be taken for granted in the various British-American discussions that are going on in both Washington and London.

These are ever-widening. Only this week it is learned from Rear Admiral Howard L. Vickery, Vice-chairman of the Maritime Commission, that while in London he discussed, again informally, certain proposals for Anglo-American postwar collaboration in shipping. Vickery informed the British that whether they liked it or not the United States was going to remain a maritime nation and the U. S. would co-operate with the British, if the shipmasters there so desired. He thought they would. But he would not discuss specifically the proposals mentioned because they would "do more harm than good," if published at this time.

This is another subject in which Canada has a vital postwar interest because of her shipbuilding performance and growth of her navy. She cannot very well sit quietly outside the door until both Britain and the U. S. have made a decision.

● Equally important are the commercial policy discussions which are paralleling the postwar monetary talks presently being carried on in Washington under auspices of the Lord Keynes Mission. Only in this case Canada and the Dominions were consulted on Commonwealth policy prior to the arrival of the British Mission in Washington. Canadian delegates sat in on inter-Empire talks in London this spring although the broad outlines of the discussions were never revealed.

In the case of the Keynes Mission the British would like to reach a much broader agreement on many phases of trade as well as monetary policy. The difficulty is that the administration must move slowly. A revision of the self-denying ordnance, which the British accepted for their foreign trade at the time of the Lend-Lease Agreement might very well open a disastrous controversy on Capitol Hill.

The American would much prefer to tackle these monumental problems one at a time. They believe Congress can be induced to accept certain agreements, like one on monetary stabilization and then, after it works to advantage, present other problems in good order.

● Obviously, however, discussion of one subject necessarily overlaps on another and it is not possible to separate them into watertight compartments. An instance of this is the postwar air policy, which hinges upon political understanding with the Soviet Union. Any British-

(Continued on page 2, col. 3)

## Ask Alberta To Pay Bills ToDominion

### Ottawa Refuses Further Renewals of Treasury Bills Borrowings From Dominion

From Our Own Correspondent

EDMONTON.—Since 1935 the Dominion Treasury officials have been hearing from Alberta Social Crediters that the province is in no financial position to pay its debts.

Apparently getting just a little tired of listening to that cry, Finance Minister Ilsley is clamping down, because word was received here recently by Alberta's treasurer, Hon. Solon E. Low, that the Dominion Government refused to renew a treasury bill for $400,000 owing the federal government.

The treasury bill fell due Sept. 1 and Alberta asked for a renewal at the same 3% interest rates. That request was not granted by Ottawa. A second treasury bill for $1.6 millions fell due Oct. 1 and word has not yet been received as to whether the Dominion will renew this or not.

In Government circles here it is felt, if the Ottawa Government refused to renew the first bill, the second one would meet the same fate. Worried by the thought that the province may have to pay up, Treasurer Low will catch a fast train to Ottawa to talk "turkey."

He frankly admits he doesn't know what would happen if he can't talk the Dominion into renewing the two bills which represent $2 millions of $26.5 millions which Alberta owes to Ottawa in treasury bills. If the worst came to the worst, the Dominion Government could confiscate whatever the provincial authorities have handy, it is believed here. Mr. Low is convinced he can persuade Ottawa to renew. "They may even renew before I go East," he said.

**Ottawa Wants Cash**

But word from Mr. Ilsley in Ottawa indicates Mr. Low's hopes will be shattered. The Finance Minister wants cash on the line. He thinks the Alberta Government is quite able to pay it. In Ottawa it is described as a case of a creditor in great need of cash, asking for the payment of a $400,000 note which has been recurrently renewed.

This is not in any sense a peremptory demand but rather a query

(Continued on page 2, col. 5)

## United States Fears Sabotage

### Security Officials Convinced German Air Attacks Coming

Special Correspondence

WASHINGTON.—Danger of damage to American war production plants through enemy air attack and sabotage will increase, not diminish, as Allied battlefront pressure increases, say United States security officials.

To date there have been no proven cases of enemy directed sabotage in war plants. Slowdowns, odd cases of small damage, have been caused by malcontents, but nothing has occurred to indicate that any organized sabotage ring such as caused the famous Black Tom explosion during first great war has started operations. That, say the men charged with the responsibility of protecting war industry, is due to Nazi realization that any such move would have cemented U. S. opinion and intensified production effort as nothing else could have done.

That reasoning no longer applies. The American war program is in full sweep toward capacity. Allied forces are driving forward. The closer the German back gets to the wall; the more desperate will be the Nazi effort to disrupt the Atlantic supply lines and the sources of supply on this continent.

Security officials generally are convinced that German Air attacks on large industrial centres in the north eastern states will be launched. They point out that the Germans have a bomber with a range of 4,500 miles. They deprecate the term "suicide raid," stating that if he cannot get back all a German pilot has to do is to bail out and be taken prisoner.

The U. S. Office of Civilian Defence is stepping up its campaign to increase the efficiency of plant security organizations all through the country. These organizations embrace everything from internal fire-fighting corps to anti-sabotage precautions. National Security Awards are being given in recognition of achievement. An effort is being made to make them as valued as the "E" awards given for efficent production.

## Wage Ceiling to Stay But Baby Bonus Out

### Cabinet Decides on Compulsory Collective Bargaining and New Wage Formula as Alternatives and Reaffirms Support Overall Ceiling

By STAFF WRITER

OTTAWA.—The possibility of the government lifting low income groups (below the 50-cent an hour minimum) out of the wage ceiling and permitting free collective bargaining for higher wages within this area now seems to have disappeared, The Post is informed.

Similarly, the possibility of any immediate payment of family allowances has apparently been vetoed by the Cabinet as administratively impractical and politically unwise at the present time.

The baby bonus plan is not finally shelved but will apparently not be introduced as part of the program to implement the McTague report. What may emerge is the turning over of the whole question of family allowances to a Royal Commission to consider as part of a broad postwar social security program.

At mid-week, Cabinet was still locked in controversy as to the ultimate pattern of its new wage price program.

Although Justice McTague was given a very receptive hearing when he appeared before the Cabinet late last week to discuss his report, the Cabinet is reported to have turned a deaf ear on suggestions that it would be possible within the limits of its wage-price stabilization policy to allow unfreezing of wage rates below the 50-cent an hour level.

The alternative, expected to come out of the long-drawn deliberations, is the granting to labor of compulsory collective bargaining under a new Labor Code and a new wage formula tied to the principle of removing "gross inequalities" and "gross injustices" from existing rates wherever these could be shown to exist.

Decision on Government action to implement the McTague report is expected to be announced within a very few days.

Out of the deliberations (which have been going on now for more than a month) is expected to come strong reaffirmation by the Government of its policy of over-all price control, and a new wage control formula along the lines indicated above.

To the extent that wage increases in the future (and there are expected to be continued further upward adjustments) are incompatible with maintenance of the over-all price ceiling, the increased costs are expected to be taken up by a considerably expanded public subsidy program, or, alternatively, by inroads into excess profits taxes which will now go out in higher wage payments rather than into the Government coffers.

Firms which are still well out in the black so far as their over-all profit margins are concerned, will be expected to meet higher wages out of profits. Marginal firms or those definitely in the red will probably be aided by public subsidy to permit wage adjustments allowed under the new regime, and at the same time maintain the principle of the over-all ceiling.

At present there is wide difference of view at Ottawa as to the extent of upward wage adjustments which will be forthcoming under the new proposals. For one thing there is considerable ignorance as to just where the present wage structure stands in relation either to pre-ceiling conditions or to what might be considered as grievous "inequalities" or "injustices."

There is equal uncertainty as to just what the newly-constituted Labor Court will do and what the attitude of nine individual provincial boards will be under the new rules.

The decision to defer immediate payment of family allowances comes after long and contentious debate as to the merit or wisdom of this proposal. When Justice McTague dropped the proposal into his report as an alternative to wage adjustments for low-paid workers, he raised in a short space of time a storm of discussion and controversy such as has rarely been seen around Parliament Hill.

The plan sprung into prominence and into Cabinet favor almost overnight although prior to that time it is a safe bet that few, if any, members had paid any attention to the plan when it was put forward first by Sir William Beveridge and later in the Canadian Marsh report on social security.

## Pulpwood Cutters Get Higher Labor Priority

Forthcoming National Selective Service Order, granting the pulpwood industry B priority rating on manpower, is expected to:

Prevent a 1¼-million-cord shortage in pulpwood supplies;

Prevent the enforced closure of some mills;

Reconcile differences in attitude toward newsprint and other pulp products which had developed between United States and Canadian authorities.

The new order will place pulpwood workers in the same classification as those in the saw-log industry, i.e., it will no longer be possible to release them or give notice of separation without the permission of National Selective Service. Previously, pulpwood had a C rating, saw-logs a B rating and fuelwood an A rating.

Result was that farm workers, whose off-season labor is vital in all three industries, chose saw-logs and fuelwood in preference to pulpwood operations. While pulpwood had the lower category, many farmers felt that engaging in that work might lose them their status as farmers, with consequent loss of deferment privileges.

Despite efforts to employ war prisoners in the bush, and to encourage farmers to take up pulpwood cutting, nothing prior to this order has been able to avert the threat of a dangerous shortage. With the bulk of Canada's newsprint and other pulp products going to the U. S., it has been apparent that Canada's failure to maintain pulpwood production would hit the U. S. harder than the Dominion.

Industry spokesmen feel the order will not solve problem of how to get more men in the woods. Although it has sought up to 20,000 war prisoners and internees, for example, only about 500 are in the woods yet.

During the recent visit to Canada of the U. S. Boren Committee, Mr. Boren went on record that the industry was regarded as in a high essentiality category. That it had not been so regarded by the Dominion cabinet reflected a major divergence of policy between Canada and the U. S.

It is understood that the present move, which goes part of the way to bringing these two views into line, was undertaken at the instigation of the Combined Production and Resources Board. In effect, the move puts the supply of pulp products to the U. S. on a similar basis to the supply of coal from the U. S. to Canada.

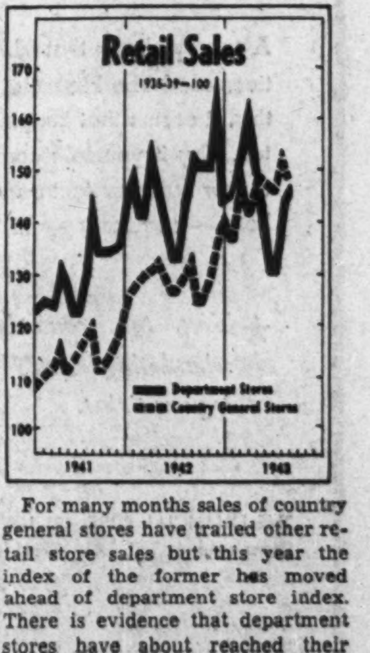
### *B. C. Power Plans Not Settled Yet*

Negotiations between Premier John Hart of British Columbia and shareholding interests of B. C. Power Co. are still at too early a stage for any concrete developments at this writing.

As originally reported in The Financial Post, Mr. Hart is exploring the possibility of a sale of the properties of B. C. Electric Railway to the municipalities in which the railway operates. Possibility that a wider arrangement, envisaging the establishment of a provincially-owned utility system, is under discussion cannot be confirmed at present.

Properties of B. C. Electric Railway are estimated to have a value of between $75 millions and $120 millions.

### Pace of Business



For many months sales of country general stores have trailed other retail store sales but this year the index of the former has moved ahead of department store index. There is evidence that department stores have about reached their wartime peak but indications continue that growing farm purchasing power may push the other index still higher.

See page 7 for complete business statistics.

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# The War and Business

By BRUCE MacKINNON

***Steel Highways?***

Steel mesh panels—not the relatively fine mats commonly used as concrete reinforcement—are being considered for possible highway and airport runway application, but some Canadian highway authorities doubt they will gain acceptance because of high initial cost.

About 2 in. thick and made up of ¼-in. strip, spot welded or riveted in 8-in. squares, the panels already enjoy limited use in Canada and U. S. for bridge decking and such special airport surfaces such as hangar aprons; abroad they have achieved fame on battlefront airdromes as a kind of "mobile" runway speedily laid on unstable terrain and as speedily moved forward or back as the tide of battle decrees. On 'dromes behind the lines they have served as camouflage runway—with grass growing through.

Commenting on an account of a test-stretch of "prefabricated steel mesh panel" highway at Darien, Conn., an Ont[illegible] ficial says that the material cost would almost certainly [illegible] out of line with concrete and would not give commensurate advantages in service and maintenance cost. Joint project of the town of Darien and the Irving Subway Grating Co. (Canada Ingot Iron Co. has made a similar mesh in Canada), a 50-ft. section of road recently was laid by placing a panel assembly on a prepared grade, filling its meshes with sand, spraying with road oil and rolling out hard to level with the metal.

***Better Locomotives***

Although the railroads have largely avoided new designs in rolling stock to conserve engineering manpower during the war, improved locomotives, including combustion-gas turbine and combined steam and mercury turbine types, are in prospect after peace comes, Lawford H. Fry, Director of Research of the Locomotive Institute, New York, said at a session of the joint meeting of the Engineering Institute of Canada and the American Society of Mechanical Engineers.

Already advanced designs of water-tube boilers are on the drawing boards to reduce weight and produce steam at high pressures and temperatures. To utilize this, improvements in the steam distribution and expansion in cylinders must be made or steam turbines used so as to obtain all possible efficiency from the limited range imposed by the nature of things on any steam prime-mover.

Possibilities also to be considered are the combustion-gas turbine locomotive, one of which has been built in Switzerland, and still further over the horizon is possibility of a combined steam and mercury turbine locomotive which would cut water consumption in half and reduce greatly the fuel cost.

* * *

***Calling Moscow***

Opening of the New York to Moscow telephone line has put all Canada in touch with the Soviet capital. Rates from Toronto, Montreal, Quebec and other eastern centres are $21 for the first three minutes, $7 for each minute thereafter, on top of which the Dominion Government slaps its tax of 15% with a maximum of 75 cents. From Vancouver the charge is $27.75 for the first three minutes.

Like other transoceanic telephone lines, the Moscow line is only open to official calls by key officials on war or other government business, although other calls may be put through with Ottawa approval. Approvals are still being granted very grudgingly, and, while there is no public report on what calls are being permitted, it is understood that one newspaper which tried to call the Archbishop of York during his Moscow visit was turned down. Incidentally, a "report call"—to find whether your party is in town—costs $2, if you are permitted to make the call at all.

* * *

***Filets de Québec***

When Hon. Valmore Bienvenu, Quebec Minister of Game & Fisheries, was in Toronto to address the Toronto Rotary Club last week, he revealed some interesting facts concerning the wartime achievements of the Quebec fishing industry.

Due to extension of facilities, including cold storage plants, and to the practical advice provided by scientific research stations, Quebec now has a cold fillet output representing more than a third of the total output. Not so many years ago not a single pound of fillets was put up. Today Ontario has become one of Quebec's best customers for these fillets.

Statistics show that despite the hazards of enemy action and the enlistment of many Gaspé fishermen in the armed forces, Quebec in 1942 had its biggest cod fishing season since 1926. While some boats were destroyed or damaged due to war conditions, no lives were lost and 1942 was regarded as a banner year.

* * *

***Unwinders***

Army personnel selection officers confidently expect that they will be among the last to get out of uniform after the war. Reason: they feel they will be called on to play a major role in re-establishing demobilized men after the war, reversing their machinery for placing men in the most suitable army occupations.

To date, the only serious complaint about personnel selection to reach us is that the organization should be larger and should have a bigger staff to handle the problems of men now posted to units. As it is, selection makes sure of putting a man in the best job available, but has less control of previously enlisted men. Hence, a few round pegs are still wedged into the square holes they occupied earlier in the war.

**Second Inter-State Royalty Corp.** advises that the company's investments in oil royalties had a book value of $298,069 at the end of last month. Gross revenue from royalty income since acquisition amounted to $76,889 to Aug. 31, and the reserve for depletion totalled $21,147 to the same date.

## *Power Bill Rebate Plan Is Limited*

From Our Own Correspondent

MONTREAL. — Toronto Hydro Electric Commission's action in allowing their domestic customers one month's free power and a half month rebate to industrial and commercial clients, is not likely to be followed by privately-owned companies in Quebec and elsewhere.

Actually a similar proposal was under consideration by one Quebec company for some time, but had to be abandoned because of tax regulations. With the privately-owned utilities, any rebate to customers would conflict with tax rulings of the Federal Government.

## Elson From Washington

(Continued from page 1)

American postwar air understanding that did not take into account that country, which covers one sixth of the globe, could hardly be called global.

To narrow the postwar air picture down to Canada's interests, "a free air" policy as envisaged by Mr. Roosevelt poses this question for Canadian planners:

What becomes of Canada's so-called dominant geographical position on the international air lanes?

As Mr. Roosevelt explained it, a Canadian air line operating to the Bahamas could stop at Buffalo to refuel but not to pick up passengers for Miami. Apply that to the international field and British, Russian and other planes could stop at Goose and the other Canadian strategic airports in the Northwest, be serviced and fly on to Washington and New York. In return for this Canada would have similar rights abroad.

But in turn Canadian aviation would have to face global competition to establish itself. And Mr. Roosevelt clearly stated he favored private ownership of air lines, save for exceptional circumstances where communication was desirable without regard to cost. What happens under this conception to the Canadian Government monopoly of international air transport?

In the long run, of course, the meeting in London can do little more than reconcile Empire policies on technical aspects of the postwar aviation problem. Final solution is tied up with the political settlement. It may also be involved in the policies to be followed in respect to security and American participation in the peace settlement. Viewpoints of the various Empire countries may be very different from Canada—Australia and New Zealand favoring, like Britain, a free air while Canada might have some reservations in respect to use of her airways.

● On the political side the news that 72-year-old Secretary of State Cordell Hull is going to Moscow is very good news. It at least provides the basis for a successful meeting of the three major powers. Washington does not expect them to reach a final solution—but it does expect a meeting of minds.

Out of it they expect a real knowledge of what the Russians want and, in particular, on three major points:

First, in respect to the formula of victory: is it to be unconditional surrender? Russia has never formally endorsed this.

Second, how is order to be restored in Europe? Is the principle of legitimacy to be followed as it was in Italy or are we to stand by and let events work themselves out where they don't interfere with military operations. This might mean some of the governments-in-exile, particularly in the Balkans, would never return home to govern.

Third, what about security? The Russians have fixed this firmly in their own minds, it is believed, in respect to boundaries in northern Europe and perhaps in the south.

## Gordon Gives Explanation

(Continued from page 1)

have to inform a large number of people and there would be little difference between this course and the giving of advance notice of intention to relax restrictions.

"It was the feeling of the Board that in this case any advance notice would have the same effect on the buying public as a formal removal of restrictions. Once the public sensed a restriction was to be lifted, there would be reluctance to buy the goods made under the restrictive orders. Thus the actual effective date of the proposed changes would be of little consequence. Furthermore, garbled reports of proposals would be made public and the confusion would be increased. From the date of any official advance notice of proposed relaxation, enforcement would be extremely difficult if not impossible."

**Might Improve Timing**

Mr. Gordon admitted to The Post that "the actual timing of the amendment could have been better from the point of view of manufacturers." But he points out that "this Board must take into consideration other points of view, particularly those of the consumer."

"In the present case," says Mr. Gordon, "the administrator advised the Board that this was not a good time of year to amend the regulations, but having regard to the views of consumers and to the desire of the Board to remove restrictions at the earliest possible moment, the Board did not feel justified in postponing the amendment."

Answering charges that supply position of wool did not justify the change in the regulations, Mr. Gordon states that there has been "a very material improvement in our supply prospects for the immediate future."

**Lift Contentious Restrictions**

As yet only two of the restrictions designed to conserve supply have been removed and those which were removed are, in effect, the two restrictions which had caused considerable difference of opinion and which were justified only in the light of an extreme emergency position, such as the Board believes has now passed.

Removal of restrictions will inevitably involve some inventory problems since consumers will inevitably prefer to purchase the new and less restricted merchandise. Our concern must be at all times to keep these difficulties to a minimum, and assist in reducing to the lowest extent the stocks of finished goods and garments in process which will be hard to market.

"The Board feels that the removal of restrictions before supply conditions have become greatly eased is very much in the interests of manufacturers and distributors. We feel that inventory problems will be definitely helped if restrictions are removed wherever possible, while there is still an excess of demand of demand over supply," said Mr. Gordon.

## Dominion Asks Cash Payment

(Continued from page 1)

"can't you dig up something for us on this in place of another renewal?" The province has surpluses—over $6.5 millions according to last financial statement for 1942-43. The Dominion has heavy deficits due to the war.

The treasury bills date back to the thirties when the province borrowed from the Dominion for unemployment purposes. The Alberta Government at that time was not particularly flush and asked the Dominion if it would take a note. The Dominion would. The note therefore was given and taken. Though reduced occasionally, a lot of it still was due on Sept. 1 when another renewal was sought.

By STAFF WRITER

OTTAWA.—Desire of the Government to convert outstanding provincial and other obligations into cash wherever possible is said here to be behind the refusal to renew $400,000 of treasury bill borrowings owed Ottawa by Alberta.

Although there are no provincial obligations outstanding from other provinces which are in exactly the same position as the Alberta treasury bills, it is implied that other provincial accounts are being subjected to the same scrutiny and procedure as are Alberta's.

The $400,000 which Alberta owes the Federal Government and for which Ottawa now wants cash, is a long-standing account representing originally an overpayment for subsidies during the 1920's. At the time the original account was rendered by Ottawa, representations were made by Alberta that the province was short of cash and permission was granted to carry the debt in the form of a treasury bill. The bill has been renewed subsequently each time until this year when Ottawa, in light of its own need for cash and the relatively improved position of the province, declined to renew and asked payment in cash.

## Ignore Paper Shortage Talk

(Continued from page 1)

whole will still be 1¼ million cords and paper requirements.

**Hopeful of Supply**

The situation is fully known, especially by the large metropolitan papers who follow closely all newsprint developments. Yet even they, in common with the smaller and less well-informed publishers, believe that somehow or other the present supply of paper will continue undiminished.

In excuse for this state of affairs it is pointed out that a year ago American publishers were reconciled to the prospect of a cut in their consumption of paper, ranging all the way from 10% to 40%.

The War Production Board claimed such action necessary on the information on pulpwood supplied by Canadian officials.

**Criticize Official Action**

An order to reduce consumption was halted, it is said, when R. L. Weldon, then Newsprint Administrator of WPTB advised Washington that the earlier estimate on pulpwood had been corrected by later information which indicated paper production would continue unchanged.

About the same time R. J. Cullen, president of International Paper Co., issued a statement that there was no shortage of pulpwood or paper.

Shortly after plans for the anticipated cut in paper consumption were abandoned by the WPTB.

Since then there have been a series of contradictory rumors on pulpwood supplies which, it is said, have confused the American publisher.

**Publishers Not Blameless**

While criticism of the Canadian Government is rampant among the American publishers, even a casual inquiry brings to light the fact that the publishers themselves have done little to protect their own position.

At the beginning of the year an advisory committee of the publishing industry recommended to the WPB the "freezing" of consumption on a basis of 1941 net paid circulation with a cushion of 3% to take care of extras.

This recommendation, adopted by the WPB was to produce a saving of some 10% in paper consumption. Actually the saving was substantially less.

**Hopeful But Misleading**

In explanation, it is now admitted that on the plan submitted and accepted by the WPB it was impossible to effect a saving of 10%. However, the publishers did expect a sharp falling off in newspaper advertising in 1943 and the saving in paper was to come through smaller sized papers. Instead advertising linage increased and the "saving" disappeared.

Then followed the first enforced reduction of 5% in consumption. On the basis of the allocation set out, the 5% was saved. But the "saving" was given away by WPB in special allocations to various publishers, mostly in the metropolitan cities, who appealed for additional tonnage to take care of increased circulation. The amount of paper granted in this way just about balanced the enforced saving.

A second cut of 5% was ordered by the WPB beginning Oct. 1. Publishers themselves are not very hopeful that any real saving will result, as appeals are expected to offset the saving.

In effect the American publishing industry as a whole has been using more paper than is being received. Publishers' stocks have been reduced and the volume of orders placed with Canadian manufacturers, still exceeds the 210,000 tons monthly which the Canadian industry undertook to deliver.

**British American Oil Co.'s** letter accompanying the dividend of 25c per share for the third quarter of 1943 states that construction of the new refinery at Clarkson, Ont., is nearing completion. and within a short time the plant will be producing large quantities of aviation gasoline and other war materials. New equipment has also been installed at the company's other refineries to augment production for military purposes, and handling facilities at many points have been enlarged to speed the flow of essential products.

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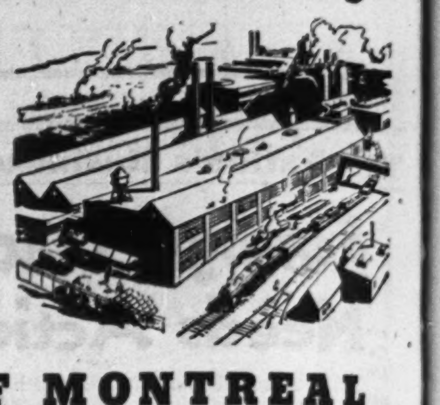
## Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

| | Date Issued | —Sold to— | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| **Municipal—** | | | | | | | |
| Forest Hill Village, Ont. | Sept. | Fairclough & Co. | 3½% | 15-yr. | $32,718 | 103.07 | .... |
| Owen Sound, Ont. | Sept. | Bank of Montreal | 2¾% | 1944-52 | 115,756 | 101.68 | 2.40% |
| **Dominion—** | | | | | | | |
| Canada Treasury Bills | Sept. | .......... | ... | Dec. 17, '43 | 55,000,000 | 99.883 | .46[illegible]% |
| Canada Treasury Bills | Sept. | .......... | ... | Dec. 31, '43 | 53,000,000 | 99.889 | .446% |
| Canada Deposit Certificates | Sept. | Chartered Banks | ¾% | Mar. 21, '44 | 110,000,000 | 100 | .... |
| Canada Deposit Certificates | Sept. | Chartered Banks | ¾% | Mar. 28, '44 | 35,000,000 | 100 | .... |
| Canada Deposit Certificates | Oct. | Chartered Banks | ¾% | Apr. 4, '44 | 70,000,000 | 100 | .... |



MAKING War SUPPLIES May Involve Extra Financing

If you are making any kind of war-time goods, you may need to borrow at the bank, to supplement Government-supplied working funds. Why not consult our loaning officers?

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . *the Outcome of 125 Years' Successful Operation*
A 182

## No Increase In Oat Price

### Payments on Coarse Grains Now Nears That on Wheat

By STAFF WRITER

OTTAWA.—There is no indication here that anything more will be done to adjust ceiling prices of oats and barley upward to conform with the new ceiling price on wheat. Payment has already been made on an interim basis out of the equalization fund to oats and barley growers. This is said to be the present limit of assistance.

At present prices the return to growers of the three crops is said to be close to a parity. At 40 bu. to the acre, oats at 60c. a bushel yields about $24 an acre. At 30 bu. to the acre barley at 79c. yields $23.70 an acre. Wheat, on the same basis (20 bushels per acre at $1.25 per bushel), yields $25.

So far as movement of feed grain to eastern Canada is concerned, no decision has been made as to what change, if any, is to be made in the present subsidy policy which has remained unchanged at 8 cents a bushel since Aug., 1942.

Two reasons are given as to why this policy has remained the same: (1) It has been possible for farmers to obtain lower grades of wheat at lower prices; (2) There is the broader consideration as to whether it is wise or desirable further to encourage the feeding of wheat in preference to other grains. It is admittedly more economical in terms of bulk and to use of freight cars to ship wheat rather than coarse grains to the east. On the other hand, oats and barley are traditional and, therefore, more popular feeding grains and so far there have been adequate supplies of these grains available.

A "Must" for Farm Readers!

★

Despite the fact that the Family Herald and Weekly Star has ceased the solicitation of new subscribers and drastically curtailed renewals, the circulation is reaching new highs.

314,887

(A.B.C. June 30, 1943)

This means the Canadian farmer simply cannot do without his Family Herald . . . It is further evidence of the stability and strength of this great farm magazine.

Are YOU using it Mr. Manufacturer?

★

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

Compensation—

To have watched a community develop into a great city—and to possess the satisfaction of having been a vital factor in its successful development, is by no means the smallest part of the compensation that accrues to a daily newspaper.

For sixty-seven years the Evening Telegram has carried the advertising of the merchants and manufacturers who have been instrumental in building Toronto, and who, in the doing, have themselves grown proportionately.

Through its classified columns, homeseekers and builders have met to the mutual satisfaction of both. Community problems, economic and social, have been thrashed out in its news columns and settled satisfactorily.

The growth of The Evening Telegram, through all these years, has been in proportion to the growth of the city—steady and healthy—and three generations of citizens have turned in confidence to its advertising columns for guidance as to the supplying of their many needs.

TORONTO IS A "TELEGRAM" CITY

THE EVENING TELEGRAM
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AD. 5733

## In Your Opinion

# What's Ahead For War Plants?

## The Question: What should be done with government war factories after the war?

### W. R. Cottingham, K.C.

**Chairman, Municipal & Public Utilities Board, Winnipeg.**

Natural instinct against waste suggests their use rather than abandonment or salvage.

• • •

### A. W. Ellis

**Associate Editor, Advertiser Topic, Petrolia, Ont.**

New industries such as the Polymer Corp. wholly financed by the Canadian Government with funds from the sale of bonds or through peacetime to serve our economy, peacetime to serve our ecenomy, should be operated under a commission. They should not fall into the hands of private ownership but should be allied with the public ownership group.

In other classes of industry into which the Government poured millions of public funds, the Government should retain their interest under private enterprise by lease for terms of from three to five years. It should, however, be specified that both Labor and Government be represented on the board of directors, the former to protect the interests of labor and the latter those of the consumer.

• • •

### R. J. Flatt

**Of R. G. Duncan & Co., real estate brokers, Fort William.**

If Canada is to maintain and improve her present industrial position in a postwar economy, government-financed war factories should be carefully and individually appraised now by competent industrialists and manufacturers to determine their possible uses after the war. When that time arrives, private enterprise should be encouraged and financially assisted in putting usable factories to their best use with two primary objects in view.

1. Providing work for our present war workers as well as our homecoming men and women.
2. Stability in production and world trade.

• • •

### G. M. Ferguson

**Comptroller, B. C. Packers Ltd., Vancouver.**

The Government should refinance government-financed war industries to private industry, under trust deed to protect public interests, at prices to prevent inflation or deflation of values in order to protect private industries not presently financed. The bureaucratic form of finance presently used should be discontinued as soon as possible and we should endeavor to return to normal conditions with relative reductions in taxes to allow release of capital for capital improvements necessary to return to peacetime production. I feel this is necessary to return individual initiative if the present bureaucratic set-up continues for any further period of time.

### Gordon K. Fraser

**Member of the House of Commons for Peterborough West.**

I have ideas as to what should and should not be done with these factory government-owned buildings, but will not go into that now except to say that they should be turned over to private interests, not kept by the government.

Industry will not likely be able to use all these buildings no matter what kind of a boom we might have and, therefore, I would suggest that where there are government-owned factories put up in different units in one district, that perhaps one of these units, if suitable, could be turned over to the municipality for recreational purposes and that the government have the men and women returning from overseas employed in equipping these buildings for that purpose. Buildings and equipment, which would include ice rinks should be turned over to city or town without any charge.

There is a great cry on at present for a social security plan and giving the people some place in which to play and exercise would be a start in the right direction to help make our people healthy.

• • •

### J. M. Gilchrist

**Vice-president, Searle Grain Co., Winnipeg.**

I consider that all government-financed war factories should be closed down after the war excepting those which private enterprise can take over and use for the manufacture of goods and commodities which can be sold without the aid of tariff protection or other government assistance.

• • •

### P. N. Gross

**Vice-president and general manager, Anglin-Norcross Corp., Ltd., Montreal.**

1. Where conditions warrant and design is adaptable, factories might be converted into schools, hospitals, asylums, research institutes, technical training institutions or recreational buildings.

2. Factories might be disposed of to private interests, on lease or sale, at prices which would be equitable to existing competitive industries.

3. These factories might be of temporary use as warehouses for orderly marketing of government-owned machines now in private plants, or for the disposal of surplus war materials.

For Canadians, a clearer indication of post-war trading conditions and taxation policies seems necessary before decisions regarding peacetime use of these plants, and those employed by them, can be reached.

• • •

### E. C. Gilliat

**Managing-secretary, Winnipeg Board of Trade.**

It is impossible to dogmatize on the use to be made of government-financed war factories on the basis of present knowledge. The economic market for the existing product or future adaptation of individual plants must be known before a decision can be arrived at and each proposition dealt with on its merits according to the peculiar facts and circumstances.

This question is closely allied with the problems involved in the post-war liquidation of surplus government supplies and equipment. The rehabilitation of devastated countries also comes into the picture. Broadly speaking our national policy should be so shaped as to ensure the ability of business to get back to its peacetime production job and provide maximum employment within the broad outlines of the Atlantic Charter.

• • •

### W. C. Hipple

**Mayor of Sarnia, Ont.**

Keep the wheels of industry moving. Most war factories can and should be subsidized by the Government provided the management of those factories has initiative to produce for times of peace. This should be conducted as a help to labor and not to provide fortunes from public funds, while at the same time, management is entitled to a fair profit. If the management is not capable of making these changes, the Government should appoint a management and operate in order to re-establish our soldiers when they return.

• • •

### Fraser Keith

**Manager, Dept. of Development, Shawinigan Water & Power Co., Ltd., Montreal.**

Competent engineers should now be studying all government-financed war factories with a view to ascertaining how and for what they may be best utilized after the war. There should be compiled for reference all basic information such as transportation, fuel, water, steam, oil, sewer and power services available and the main characteristics of the buildings themselves, such as materials of construction, dimensions and bearing loads and any permanent equipment installed. This will be valuable data for industrialists and would eliminate the delay of months required to secure such information when the war is over. Factories should be offered for sale at an attractive figure to the companies now operating or sold to the highest bidder.

• • •

### F. I. Ker

**Editor, Spectator, Hamilton.**

What should be done with government - financed war factories after the war must surely depend to a large extent on relevant clauses in contracts with manufacturers under which they were built. In the absence of such agreements, plants should be leased or sold by public tender where possible or with terms fixed by arbitration under other circumstances. Plants for which no postwar use is apparent should be scrapped and the materials salvaged to ease inevitable shortage of all materials.

• • •

### H. J. Lassaline

**Secretary-manager, Windsor Chamber of Commerce.**

It is quite likely many difficulties will arise regarding utilization of such plants located for military strategy in places uneconomic in many ways for peacetime industry. Some may be retained by the Government as arsenals for continued defense.

Better located plants should be offered to enterprising Canadian capital for new products if possible and may have to be sold beyond ordinary depreciation because of higher wartime building costs or as further encouragement. Private industry operating government plants may use space for expansion. Others suitable for this purpose may be used for creation or expected extension of local technical education facilities following the war.

• • •

### John B. Laidlaw

**Secretary, Canadian Association of Real Estate Boards, Toronto.**

My suggestion is that each property be placed with an experienced real estate broker in the city where the property is located, for appraisal, sale or rent.

The N.H.A. in the United States, which loaned several billions upon a variety of properties during the depression, some of which had to be taken over after attempting to handle such themselves, placed each property in the hands of an experienced real estate broker with complete success.

No government department is equipped to handle such properties, and each one requires special study and the seeking of purchasers or tenants. That is the every-day business of the real estate broker.

The organized real estate boards throughout Canada would be glad to co-operate with the government in handling such properties.

• • •

### L. W. Simms

**President, T. S. Simms & Co., Saint John, N.B.**

Where a management's records have been outstanding and their faith in the reasonable convertibility of such plant to peacetime needs is coupled with their ambition to take responsibility for such conversion the Government should give them and their associates in such a plant the option of purchase in long-term installments at liberally depreciated prices or option of other methods of financing. But the continuity of any enterprise must not hinge on the mere existence of plant and equipment and a drastic salvaging procedure should liquidate all movables. Redeeming potential values should await natural demand from postwar planning and private initiative.

---

# Manitoba Has Large Surplus

A surplus of ordinary expenditure over ordinary revenue of $2.2 millions has been reported by the Province of Manitoba for the year ended April 30, 1943, compared with a surplus for the previous year of $1.8 millions.

The increased revenue of the province has been described by the provincial treasurer as based substantially on "wartime revenue windfalls," and is largely the result of greatly increased liquor revenues. In other sources of revenue there was a net decrease. Revenues from succession duties, vehicle licenses and the gasoline tax all show reductions. Revenues and expenditures for the past two years are tabulated below.

**Revenue and Expenditure**
**Fiscal Years Ended April 30**

| | 1943 | 1942 |
|---|---|---|
| Revenue | $20,749,490 | $19,920,813 |
| Expenditure | 18,567,393 | 18,151,988 |
| Est. surplus | 2,182,097 | 1,768,825 |

The increase in liquor revenues for the year amounted to $1.2 millions bringing the total revenue from this source for the year to $4 millions. The treasury report states that:

> "As a result of Dominion restrictions, the revenues from this source are certain to decline, and seem likely to do so by at least $1 million in the present fiscal year. Because the restrictions were imposed by the Dominion, however, the Dominion has guaranteed the provincial revenue at the amount of $2.9 millions."

The report states that the Government applies its wartime surpluses and certain capital receipts to reduction of provincial debt, thus strengthening its financial position by reducing annual charges for interest and debt service.

During the year ended April 30, 1943, the report states, the province paid $1.3 millions off the provincial debt. This brought the gross debt of the province down to $123.1 millions, $7.1 millions less than the figure of three years ago. The sources of funds used for this retirement are as follows:

| | |
|---|---|
| Man. Telephone System | $2,168,049 |
| Revenue surpluses | 1,678,944 |
| Manitoba farm loans | 1,300,000 |
| Sinking funds (& amort. a/c) | 1,190,477 |
| Sundry capital receipts | 711,792 |
| Manitoba Power Commission | 22,000 |
| Total | 7,071,262 |

Among the current items of expenditure are included $1.25 millions for a reserve fund for war and post-war emergencies, and payment into a special reserve for an insurance fund of $500,000. The latter reserve has been newly set up, this being the first payment into it, while the emergency reserve fund was in existence last year, when $750,000 was allocated to it. Changes in expenditure for the year are summarized as follows:

| | |
|---|---|
| Relief expenditure | —$844,229 |
| Debt charges | — 343,872 |
| War and postwar reserve | + 500,000 |
| New insurance fund | + 500,000 |
| Gen. departmental expend. | + 603,507 |

---

White collar Crisis—

The clerical manpower (and womanpower) shortage is no longer news. What you're interested in is: "How can I increase my office and plant production . . . in spite of a weakened office staff?"

Here's how: First, let a Remington Rand Systems Representative analyze your office and plant records and routines. He is experienced in streamlining production methods from initial planning to final delivery. He has increased production as much as 50 per cent for other organizations with depleted personnel. Turn him loose on your headaches!

He may recommend the installation of time-tested Kardex Visible Systems whose exclusive Graph-A-Matic signals give you an instantaneous, accurate picture of where you stand from day to day. It's your "seeing eye" insurance against understocking, overstocking, labor-wasting bottlenecks and falling afoul of government regulations. It keeps you with or ahead of the toughest production schedules.

Remington Rand's carefully considered recommendations will definitely increase productivity in your office or plant. More than that . . . you will have established a perfect set of controls to assure peak efficiency in every department, every operation.

You have the problems . . . Remington Rand has the answers. Call for a non-obligatory consultation today. Wire, write or phone our nearest Branch Office (it's probably listed in the yellow pages of your local phone directory) or write direct to

KARDEX Production Controls • Procurement Controls • Personnel Controls • Progress Controls • Tool Crib Controls • Machine Load Controls Materials Controls • Cost Controls—many others.

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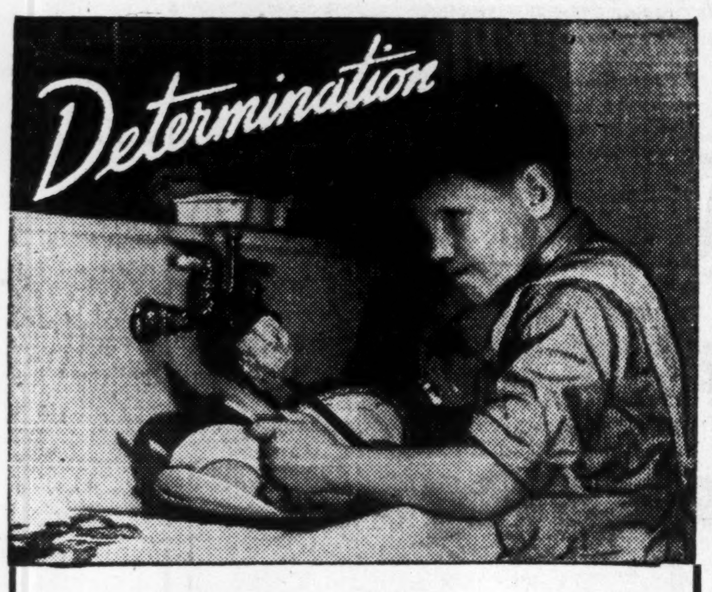
199 Bay Street Toronto

Determination



GETS THINGS DONE . . . Have you been putting off this matter of making a Will and selecting an Executor because it wasn't a very pleasant task? You know full well that you *should* do it—so why don't you make up your mind *to do it right now.* Get the facts about our service as Executor—then see your attorney and have him draw your Will.

*Let us serve you and your family as Executor and Trustee.*

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• Throughout the fifty-four operations by which wool is transformed into FORBES fabrics, every move is scientifically controlled. Atmospheric conditions are carefully regulated. All water—500,000 gallons are used daily—is filtered and softened to specifications.

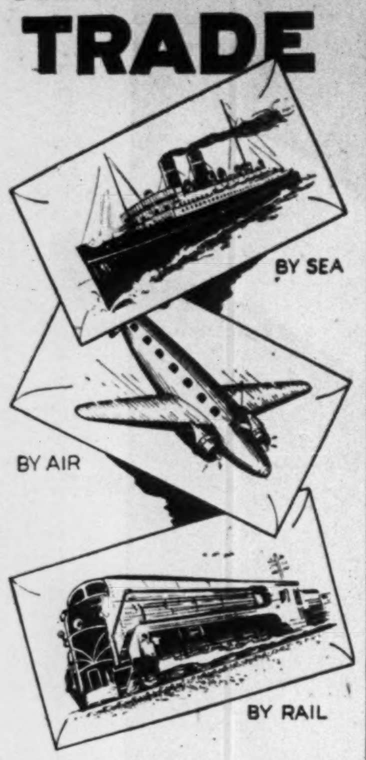
But aesthetic qualities cannot be measured mechanically. Fine fabrics must be firm and smooth; colors clear and even. They must "handle" right. To gauge these qualities, trained human sensibilities are needed.

The examiner's skill is only one of many which together explain why in quality, appearance and variety, FORBES fabrics have helped to make Canadians, in peace and war, the best dressed people in the world.

FORBES ESTABLISHED 1864 Wool Fabrics

Made by DOMINION WOOLLENS & WORSTEDS LIMITED

THE WORLD'S TRADE



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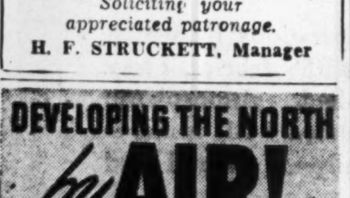

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# Durable Goods Business Seeks Postwar Trade

## Heavy Manufacturing Groups to Submit Individual Briefs to Ottawa But Will Join in Collective Collaboration

Negotiations among the durable goods industries for a collective submission to Ottawa on their place in postwar reconstruction, are continuing despite decisions of several branches of construction and heavy manufacturing to submit individual briefs.

Meetings this month will decide the degree and scale of co-operation and the scope of surveys on which the joint submission will be based.

To this end the Heavy Industries Federation for Postwar Reconstruction and the National Construction Council of Canada are holding meetings in Toronto Directors of the HIF, of which C. S. Kane, Dominion Bridge Co., Montreal, is president, were in session late this week, while the executive of the NCC, chaired by A. S. Mathers, Toronto architect, is scheduled to meet next Thursday, with representatives present from the HIF and the Dominion Mortgage & Investment Assn.

### Pushing Joint Plan

The Heavy Industries Federation formed last winter has established a treasury for the proposed joint surveys, is taking out letters patent of incorporation, is aiming at a fund of more than $150,000 and building up its membership among large manufacturing companies which are interested not only in exploring the market for postwar construction and installations but in guiding to some extent the salvage and unwinding processes to be instituted by Government during the transition period.

The HIF and NCC plan to set up Toronto headquarters and regional offices and then to plunge into a minutely detailed survey of the durable goods backlog — housing, other private and public building, public engineering works, equipment replacement — and of wartime installations which will await salvage and disposal.

HIF groups meeting recently at Montreal and Toronto passed a resolution advocating immediate formation of a federal ministry of reconstruction, and this has been transmitted to the Government.

Precedent for individual briefs from construction groups was established in May when the Royal Architectural Institute of Canada submitted to the Prime Minister a memorandum recommending creation of a ministry and department of postwar planning, with a governing council made up of leaders in private fields.

### CCA Plans Brief

Now, the Canadian Construction Association has adopted the idea. At a meeting of its management committees recently at Montreal the CCA decided to act independently in submitting rehabilitation proposals. President John B. Stirling, Montreal, afterward explained that this did not mean the CCA would abstain from the proposed joint survey and submission.

"The intent," Mr. Stirling told The Post, "is to focus attention on certain construction problems which might not be sufficiently emphasized in the later joint submission. Dr. F. Cyril James, chairman, Advisory Committee on Reconstruction, has indicated to us, and to several other bodies, that in his view there should be particularized and intimate representations, in addition to any broader ones."

Mr. Stirling said the CCA resolution for a separate brief included an agreement to continue collaboration in the larger scheme.

Separate submissions have been or will be made by other components of the National Construction Council, notably the Canadian Lumbermen's Association, and the Engineering Institute of Canada, but the understanding is these bodies also intend to adhere to the original joint proposal.

The ten-year-old National Construction Council embraces a dozen national associations in as many branches of the construction industry; it includes the ones already mentioned — RAIC (architects), CCA (contractors and manufacturers — suppliers of building materials), CLA (lumbermen), and EIC (engineers) — as well as the Canadian Manufacturers' Assn., Trades & Labor Congress, Canadian Institute of Plumbing & Heating, Canadian Institute of Steel Construction, Canadian Paint, Varnish and Lacquer Assn., Brick & Tile Manufacturers' Assn., Canadian Assn. of Master Painters & Decorators, and Canadian Founders & Metal Trades Assn.

# A F L Union Organizing Dom. Textile

## Uses "Absentee Strike" to Further Claim for Sole Bargaining Agent

From Our Own Correspondent

MONTREAL. — Broad scale absenteeism allegedly engineered by the United Textile Workers of Canada is said to be connected with the union's effort to have itself recognized as the sole bargaining agent for some 7,500 employees of the Dominion Textile Co. in Montreal and the Montreal Cottons Co. at Valleyfield.

Current "absenteeism" is reported to amount to about 15% of all textile employees in the Montreal area. In the other plants of Dominion Textile, Drummondville, Magog, Sherbrooke and Montmorency, the company openly recognizes the National Syndicate of Catholic Textile workers as the bargaining agent.

### Field is Unorganized

While the Syndicate's position in the mill towns outside Montreal is strong, it has never been able to make much headway in the metropolis. This has provided an opportunity for organizers of the Textile Workers of Canada, which has secured a foothold in Dominion Textile's Merchant mill. The other four mills operated by the company in the Montreal area are still unorganized.

First organizing the Merchant's mill employees, the AF of L union made the following demands upon the company: a general increase of 10 cents an hour; increase in the cost-of-living bonus from $3.30 to $4.25; one week's vacation with pay, and introduction of a minimum starting rate of 35 cents an hour for adult workers and 30 cents for those under 18 years of age.

The company refused to recognize the union. The matter was taken to a conciliation board, which recognized the union as representing a majority of the workers in Merchant's mill. It was recommended to the company that it recognize the union. No action has been taken along that line.

In furthering its campaign the union has applied to the National War Labor Board for recognition as the bargaining agent for all the plants in Montreal, as well as that operated by Montreal Cottons Co. at Valleyfield.

A meeting of the various interests was held in camera before the NWLB.

### Claims Differ Widely

The union claimed that wages paid by the two companies were "depressed" prior to the war and were low in comparison with those paid in Ontario.

This claim was disputed by the two companies. It was pointed out that, since the outbreak of war, workers at Dominion Textile Co. had had their wages increased by an average of $4.90 a week and at Montreal Cottons by $6.45.

A rate of more than 35 cents an hour, including cost-of-living bonus, was being paid 79% of the cotton mill of Dominion Textile, which had the highest average rate paid in any Quebec mill.

# Market Opinions

**Brookmire Counselor, N. Y.**—As a matter of basic policy, withholding of substantial cash because of the imponderables in a war period should be emphasized. On the one hand, clients should maintain holdings of good quality stock of progressive companies in essential industries. On the other hand, a substantial cash reserve should be held in readiness for purchase of dynamic stocks at deflated prices.

• • •

**Magazine of Wall Street, N. Y.**—For what it may be worth, a recent poll of professional analysts showed by a considerable majority, that the next "important" move will be downward. Guesses as to how far down it may go range from 125 to 110 in the industrial average. Opinions as to "when" range from a few weeks to several months.

• • •

**Barron's, New York (The Trader).**—Payment of Sept. 15 tax obligations and flotation of the $15 billion Third War Loan have exercised no deflationary effects upon the stock market. Just ahead is a big volume of new private financing which will contrast sharply with the meagre offerings of September. Reception of the new offerings should, like the response to special distributions on the Stock Exchange, afford a good clue to the appetite for stocks.

• • •

**Barron's, New York, (The Dow Theorist).** — Performance of the Dow-Jones industrial and railroad averages last week added nothing to the indications available to interpreters under the Dow Theory. We are still in a secondary decline interrupting a primary bull market, as far as the theory tells us.

## Kerr Lake

Earnings of 48c. a share were realized by Kerr Lake Mines for the year ended Aug. 31, 1943, compared to 49c. the previous year.

The company's income was derived entirely from dividends received from Rimu Gold Dredging of New Zealand, which paid dividends of 2 shillings 10 pence a share. The consolidated accounts of K. L. Corp. and Kerr Lake Mining showed a net loss for the year of $492, increasing the accumulated deficit to $2,380. Royalties were received from leases on the Cobalt Lake property of $92.

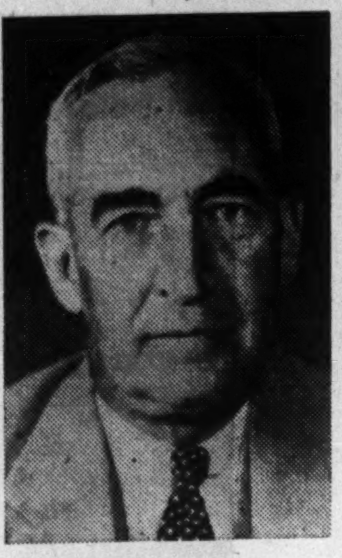
Income, Surplus—Years Ended Aug. 31

| | 1943 | 1942 |
|---|---|---|
| Divds. received | $44,151 | $45,438 |
| Less: Admin. & gen. exp. & taxes | 15,571 | 15,455 |
| Net profit | 28,580 | 29,983 |
| Less: Divds. | 30,000 | 30,000 |
| Deficit for year | 1,420 | 17 |
| Add: Inc. tax adj. | 775 | ..... |
| Less: Prev. surplus | 37,273 | 37,290 |
| Surplus forward | 35,078 | 37,273 |
| Earned per share | $0.048 | $0.049 |
| Paid | 0.05 | 0.05 |
| Working capital | $27,711 | $29,998 |

K. L. Corp. & Kerr Lake Mining
Cons. Income, Surplus—Yrs. End. Aug. 31

| | 1943 | 1942 |
|---|---|---|
| Int., divds., roy., etc. | $334 | $790 |
| Less: Gen. exp. & tax. | 826 | 1,386 |
| Net loss | 492 | 596 |
| Add: Prev. deficit | 2,065 | 1,469 |
| Less: Tax adjust. | 177 | ..... |
| Deficit forward | 2,380 | 2,065 |

**Montreal Stock Exchange and Montreal Curb Market** report volume of trading in industrial stocks somewhat higher during September, when 362,608 shares were traded This compares with 316,378 shares in the previous month and 121,816 shares in September last year.



VICE-PRESIDENT

J. F. Pringle, who has been appointed vice-president and general manager of the Atlantic region of the Canadian National Railways. Mr. Pringle, who has been general manager Atlantic region since Jan., 1943, succeeds Walter U. Appleton as vice-president.

# *The* Shareholder

**Hiram Walker - Gooderham & Worts** shares, after selling since June in the neighborhood of $55, moved up sharply last week to $63. No official explanation for a 15% advance has been proffered by the management, but financial centres have clacked with rumors of a stock split for some time.

Although such a split has been denied, the interim earnings reports of the big distillery undoubtedly justify some sort of recognition, and one explanation of the move is that figures for the year ended Aug. 31 have lived up to the record of the earlier quarterly statements.

In the first nine months of the current year, Walker's earned $8.71 per share, just short of the $9 that was earned for all the previous fiscal year. It would not be unreasonable to expect earnings for the current year to total $11 to $12 per share.

• • •

**Distillery earnings,** as pointed out by The Financial Post when the companies changed over to industrial alcohol, are currently subject to two upward influences. Consumer demand is still high, although rationed, and current production of industrial alcohol is immediately saleable. Normally, current production would go into storage for several years before being sold, hence the immediate sale of industrial alcohol temporarily tends to inflate earnings.

If this situation is prolonged, inventories will be used up and there will be a period when sales of matured liquors will have to be even more drastically curtailed. At the end of the 1942 fiscal year, Walker's inventories were up 25% and Distillers Seagrams were up 18% in value on the year, so that there was little danger at that time of a whisky drought. This year's balance sheets will probably show a sharp reduction, the extent of which will be of major significance in indicating how soon the crisis in liquor sales may be reached. It is possible that the next six months may see a let-up in the need for industrial alcohol for war, and if this occurs, a postwar crisis in liquor sales may be averted through the simple expedient of merchandising more youthful spirits.

• • •

**Yields on liquor stocks** remain high, in spite of price advances, with Walker's showing 6.3% at the recent high price, and Seagrams currently showing around 5.7%. Fears of a return to prohibition are usually given in explanation of this high yield, and have been the common explanation ever since prohibition was repealed ten years ago.

A victory for the drys can never be ruled out, but Canada's "little prohibition" brought an immediate increase in wet sentiment, according to Gallup Poll figures, and it remains something of an investment anomaly that the liquors should continue to be regarded so sceptically in a market which has periodically shown the greatest confidence in securities which have never displayed anything like the earning power of the liquors.

## Fox Becomes President Canadian Cottons Ltd.

E. C. Fox, chairman of the board of Canadian Cottons Ltd., has resigned from that office to take over post of president and managing director. He succeeds R. G. Tolmie, who has retired from these positions on account of ill-health, but who will continue as a director.

W. V. Boyd, a director and general manager, has been elected vice-president and general manager, replacing the late W. J. Morrice.

MacMillan Boyd, Director of Research, has been elected to the board of directors to fill the vacancy left by the late Mr. Morrice. For the past year and a half MacMillan Boyd has been on loan to the WPTB and for the time being is continuing to act as chief technical adviser to the Cotton Administrator, in addition to assumption of his new duties with Canadian Cottons, Ltd.

**Imperial Tobacco Co. of Canada Ltd.** has established branch registers for transfers of shares at Egham, Surrey, Eng., and in New York City. Heretofore the only transfer office was in Montreal.

**Ontario Nickel Corp.** shares have been removed from the list of the Montreal Curb Market.

# West Canadian Betters Position

## President Peers Reports $8,789 Rise in Net Current Assets

From Our Own Correspondent

VANCOUVER. — West Canadian Hydro-Electric Corp., which has completed the construction program undertaken as a war measure, reports an increase in gross revenue, preferred and common dividends earned by a good margin and a moderate improvement in net working capital despite major capital expenditures.

President Ross Peers reports that at June 30, 1943, net current assets were $164,247, compared with $155,458 a year before. Besides this addition of $8,789 to working capital the company reduced by $37,534 a bank term loan incurred in connection with the construction program. This left the loan at $182,466 at the end of the fiscal period.

### Eliminates Loan.

Since that time the company has issued $450,000 par value of 4½% first mortgage bonds. Proceeds of this issue have been used to eliminate the loan created for new construction purposes, to finance balance of the construction program and to retire the entire issue of Okanagan Telephone Co. 4½% 1960 debentures outstanding in the hands of the public amounting to $204,500 par value.

The wholly owned undertakings of West Canadian Hydro constitute three groups of British Columbia utilities. Largest of these enterprises is the hydro generation and distribution system serving the Okanagan Valley, generating capacity of which has been more than doubled during the past two years at a cost of nearly $675,000. Next is the old-established Okanagan Telephone Co. with its subsidiaries, Solar Telephone and Summerland Telephones.

### Shuswap Falls Unit.

The third group comes under the heading of Pacific Power & Water Co., which owns the light and power services at Alert Bay, the Elk Creek Waterworks, serving Chilliwack and district, Quesnel Light & Water Co. and Hope Utilities, Ltd.

The directors' report advises that the second power unit at Shuswap Falls has been operating to capacity since early last February and has given excellent service, and plans are now being formulated for the postwar period. The new unit which has more than doubled generating capacity is now being used to the maximum for war purposes by West Kootenay Power & Light Co.

## Public Utility Earnings

East Kootenay Power
August

| | 1943 | 1942 |
|---|---|---|
| Gross income | $66,916 | $64,425 |
| Oper. expenses | 24,042 | 24,446 |
| Net earnings | 42,874 | 39,979 |
| Five Months Ended August | | |
| Gross income | $321,250 | $319,553 |
| Oper. expenses | 118,418 | 127,075 |
| Net earnings | 202,832 | 192,458 |

Note:—Operating expenses do not include income and excess profit taxes.

# East. Dairies Adjourn Meet

## Bondholders Fail to Secure a Quorum — Next Meeting is Final

From Our Own Correspondent

MONTREAL. — For the second time Eastern Dairies bondholders' meeting to consider a plan of reorganization has been adjourned due to the lack of a quorum. The adjourned meetings will be held on Oct. 26.

Legal requirements provide that 51% of the total bonds outstanding —$2,479,500—should be represented at the meeting. Representation at the second meeting, in person and by proxy, amounted to only 34.9% and the meeting was adjourned.

It was indicated, however, that when the meeting convenes for the third time a quorum will consist of the bondholders represented and action can then be taken on the matter.

The plan has already been approved by the preferred and common shareholders of Eastern Dairies. Shareholders of a subsidiary, Acme Farmers of Toronto, previously approved the original plan but are scheduled to meet shortly to consider the scheme as modified and approved by the stockholders of Eastern Dairies.

## Tooke Bros.' Plan Passes Stockholders

Preferred and common shareholders of Tooke Bros. Ltd. have approved a plan of capital reorganization.

Instead of preferred and common stock the company will have only common stock. Authorized amount of new common will be 35,000 shares, of which 29,335 will be issued in exchange for existing shares on the following basis: 14 new common for five preferred; one new common for five old. There are 9,850 preferred and 8,725 common now outstanding.

The plan eliminates arrears of preferred dividends, which amounted to $80.50 a share at the close of 1942 and also eliminates a deficit of $125,155 in the profit and loss account.

## Boren Newsprint Probe Started in Washington

Public hearings on production and use of newsprint paper were started this week by the House of Representatives Subcommittee under chairmanship of Representative Lyle H. Boren.

Mr. Boren's committee in recent weeks visited a number of newsprint mills in the United States and Canada.

Representatives of the American pulp and paper manufacturers and American Newspaper Publishers Association will give evidence at the public hearings, along with officials of the War Production Board, the Board of Economic Warfare and Lend Lease executives.

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ST. JOHN'S

**Malagash Salt Co.** announce that it will pay, out of profits, interest due on Aug. 1, 1933, on its 6½% first mortgage income bonds. At present there are $429,200 of these bonds outstanding.

To Manufacturers and Industrialists

The North America Companies wish to announce the introduction of new reporting forms of Use & Occupancy and Profits Insurance which provide for complete coverage at all times and the adjustment of the premium at the end of the policy period.

Under existing conditions it is very difficult for manufacturers and industrialists to effect complete coverage upon the inception of the contract without incurring the penalty of over-insuring, and likewise, during the currency of the contract large government or war orders may so increase Use and Occupancy values to throw existing coverage out of line.

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Visible supplies of coal make it imperative that consumption must be reduced this winter by as much as 25%—some 4,000,000 tons.

The situation is just as acute with regard to oil, gas, wood and other fuels.

Savings can undoubtedly be effected by closer regulation and maintenance of only minimum requirements for heating, by conservation and more efficient use of power, but major economies can be accomplished by efficient operation of your steam plant.

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# The Bondholder

**Use of motion pictures** in the current Victory Loan campaign is due to reach a new high, according to reports. An elaborate program of films is being drawn up by the National War Finance Committee, featuring a variety of types of entertainment, from war scenes to sing-songs. In each district throughout Canada sufficient films will be provided local communities for an 85-minute program, longest item to be a 20-minute film showing scenes from the Sicilian campaign. Comedy shorts and straight Loan appeal pictures are also included.

* * *

**Interest in discount bonds appears** to be on the decrease, not because factors making them an attractive investment are no longer valid, but because on most issues the discount has disappeared. Since mid-1940, when many bond issues were selling substantially below par, due both to the depressed state of many industries and to our losses in Europe, these issues have been considered an attractive investment and have steadily risen in price.

One reason was that, with the stimulation afforded by wartime activity, the earnings outlook of many companies was considerably improved. Principal limitation on profits promised to be increasingly heavy taxes, and with the payment of bond interest holding priority over income tax payments, little risk of non-payment was involved, at least for the war period.

Investment in these issues, furthermore, held promise of capital appreciation which would be tax free, thus reinforcing the rise. Following is a list of public utility and corporation bonds which sold in 1940 at substantial discounts. Most of these are now selling at or above par.

**Discount Bonds on Upgrade**

| | Issue | Bid 1940 June 25 | Bid 1943 Oct. 2 |
|---|---|---|---|
| Burns & Co. ..... | 5-'58 | 49 | 83¼ |
| Consol. Paper .... | 5½-'61 | 50 | 86¼ |
| Donnacona Paper. | 4½ '56 | 65½ | 87½ |
| Gypsum, Lime ... | 5½-'48 | 81 | 105½ |
| Lake St. John ... | 5½-'61 | 82 | 95 |
| Maple Leaf Mill. .. | 3-'58 | 59½ | 100½ |
| Massey-Harris .... | 4½-'54 | 78½ | 100¼ |
| Western Grain ... | 6-'49 | 35 | 100¼ |
| Winnipeg Elec., A | 4-'65 | 64 | 96¾ |

**Hull Steel Foundries Ltd.** has just completed a plant service building as part of its $1 million extension program. The service building is equipped with lockers, washing and shower facilities, first aid room, dining hall and space for plant social events.

**Alberta Pacific Grain Co.'s** meeting of 6% first mortgage bondholders called for Sept. 25 was adjourned because of lack of a quorum. Another meeting will be held on Oct. 16 at the office of the Royal Trust Co., Winnipeg.

**Aeronautics**

# Airplane Potential Appraised

## Trans-Canada Official Stresses Safety Needs

**Adoption of airplane construction methods whereby plane parts could be disassembled from the complete aircraft with ease and rapidity is recommended as one way in which to prevent undue interruption of flight schedules, according to James T. Bain, Chief Engineer of Trans-Canada Air Lines.**

**Speaking recently** before a transportation session of the joint meeting of the Engineering Institute of Canada and the American Society of Mechanical Engineers meeting in Toronto, he discussed safety standards in plane operation.

To achieve the necessary standards of safety and regularity in postwar air transport, he observed, greater attention must be paid to maintenance work.

"Because of our emphasis on maintenance schedules, whereby after certain specified times in operation each aircraft is removed from service for inspection and 'preventative maintenance work,' the airlines are fortunate over each year's operation to average 12 hours in service per day per aircraft.

"Simplification of maintenance and overhaul problem by the manufacturers will aid air transport expansion. Until suitable construction methods are adopted, however, it will be virtually impossible to make every individual component easily replaceable and accessible. With a little care in design and our understanding of airline requirements it should be possible to construct an aircraft from similar sections to those now being used but having the major difference that they can be subsequently disassembled from the complete aircraft with ease and rapidity.

"In this way, aircraft need only be grounded during the process of change. Reconditioning of the removed unit can be done at leisure after the aircraft has proceeded on its way. Interruption of flight schedule by mechanical defects would be reduced to a minimum.

### No Revolutionary Changes

While he foresaw no revolutionary structural or size change of planes for some time after the war, he predicted changes in detail design and methods of flight operation.

"My belief that the basic airplane of today will not undergo any revolutionary structural or size change for some time after the war stems from the reason that the only types from which immediate postwar aircraft can be developed are the present military and transport aircraft. With the concentrated effort on all sides for war production, the application of sufficient engineering time to develop new commercial aircraft is simply not possible," stated Mr. Bain.

"Future requirements of aircraft types and sizes cannot be deduced from existing statistics of traffic potentials," continued the speaker. "No one yet knows how postwar aviation will develop. Whereas frequency of flight with small aircraft will give such advantages as a higher percentage of non-stop flights, flexibility of disposition and routing, more desirable travel times for the greater number of people and higher percentages of revenue hours flown, nevertheless the larger airplane will provide spacious comfort but permit lower frequency of service and allow for a smaller percentage of non-stop flights.

"For these reasons such interesting developments as flying wing aircraft and jet propulsion must for the time being be relegated to the research engineers and the future."

Mr. Bain dissipated the currently held illusion that the war had given airplane development a tremendous impetus. While certain equipment items had undergone forced growth, development of commercial airline types being undertaken by Boeing, Curtis, Douglas and Lockheed at outbreak of war was halted. Moreover, every airline operation was altered.

"Shortage of aircraft resulted in schedules being run at times dictated by maintenance requirements. There has been no advance in methods of operation since the war started. At war's end we will, with luck and good government policies, be starting in where we left off at the beginning of the war," said Mr. Bain.

### Advises Caution

It was his opinion also that such developments as had been achieved by various Air Transport Commands could have been done better and faster by commercial operators.

"The practice of Air Transport Commands of using heavier gross load than is normal in transport aircraft has caused many people to question the validity of present airworthiness strength factors and performance requirements," continued Mr. Bain. "Personally, I believe we should proceed with extreme caution in attempts to revise airworthiness requirements or we are liable to experience a reduction in safety standards that are already too low."

In foreseeing the adoption of complete automatic safety controls for future flight operations, Mr. Bain visualized an integrated system of ground control built around present existing knowledge of such devices as the Lorenz and Indianapolis Blind Landing Systems, automatic pilot controls, radio beams, collision indicators, terrain clearance indicators, Radar and other developments.

# Twin City Co. Pays Quarterly

## Operations Hold at 30% Above 1942 — Retiring Bonds

Payment of the $1.75 dividend on Twin City Rapid Transit Co. 7% preferred on Oct. 20 will signal a change to quarterly payments from the half-yearly pattern that has applied over the past year and a half, The Financial Post is informed.

Current plan will not make any reduction in the arrears of $49 per share, but will prevent them from mounting further. Over and above the $7 annual dividend on the preferred, surplus funds will continue to be applied to purchase of the 5½% bonds in the open market, it is understood.

During 1942, these bonds were reduced $1.4 millions to leave a balance of $13.2 millions outstanding. Although this year's operations should leave a larger surplus for purchasing bonds in the market, the face amount retired may not be correspondingly increased, since the open market price is now 103, compared with about 95 a year ago, and about 75 at the beginning of 1942.

Operations in the third quarter are understood to have held the gain reported for the first two quarters—an increase of approximately 30% over the corresponding periods of 1942.

# Can. Northern Profit Lower

Canada Northern Power Corp's operating revenues during August showed a moderate falling off both in respect to gross and net income. Gross revenues were off $33,167 from the same month last year, but due to lower operating expenses, net earnings declined $4,693 only to $210,583.

A similar trend is shown in cumulative returns for the first eight months of 1943, in comparison with the like period of 1942, details of which follow:

| August | 1943 | 1942 |
|---|---|---|
| Gross earnings ....... | $333,479 | $366,646 |
| Oper. expenses ...... | 122,896 | 151,370 |
| Net earnings ......... | 210,583 | 215,276 |
| **Eight Months Ended Aug. 31** | | |
| Gross earnings ...... | $2,845,218 | $3,048,130 |
| Oper. expenses ...... | 1,114,436 | 1,207,488 |
| Net earnings ......... | 1,730,782 | 1,840,642 |

**Note:**—Operating expenses do not include income and excess profit taxes.

# *Gatineau Power Earnings Go Up*

**From Our Own Correspondent**

MONTREAL.—Gatineau Power Co. reports consolidated net income for the quarter ended June 30, 1943, of $689,718. This contrasts with $613,499 for the like period a year ago. Indicated earnings on the common stock amount to 29 cents a share, as against 25 cents a share in the second quarter of 1942.

**Consolidated Income Statement**
**Three Months Ended June 30**

| | 1943 | 1942 |
|---|---|---|
| Operating revenue ... | $2,613,469 | $2,553,831 |
| Add: Other income .. | 23,641 | 56,009 |
| Total revenue ........ | 2,637,110 | 2,609,840 |
| Less: Oper. expenses.. | 274,706 | 258,006 |
| Maintenance ....... | 57,773 | 57,752 |
| Taxes ............. | 475,632 | 518,453 |
| Net income .......... | 1,828,999 | 1,775,629 |
| Less: Interest—bonds & prior liens ..... | 587,851 | 587,951 |
| Interest—debent. & other ......... | 157,807 | 177,047 |
| Exchange ......... | 54,456 | 55,922 |
| Depreciation ....... | 300,000 | 300,000 |
| Amort. of disc. ..... | 39,166 | 41,209 |
| Net profit ........... | 689,719 | 613,499 |

Subject to audit and adjustment. Year-end and special adjustments are reflected in the period in which such adjustments were made.

# Drew Appoints Fuel Committee

Formation of a Fuel Committee under the auspices of the Provincial Government of Ontario to explore the possibilities of improving the fuel situation has been announced by Premier Drew. It will comprise Dr. H. B. Speakman, director, the Ontario Research Foundation; Prof. G. B. Langford, professor of geology, University of Toronto, and F. D. Tolchard, secretary and general manager of the Toronto Board of Trade.

In addition to its prime task, the Fuel Committee will co-ordinate the activities of organizations now dealing with various phases of this problem and will examine and report upon use of peat, lignite and gas, and wood fuel for heating purposes.

"TOO LITTLE - TOO LATE"

- It is so easy to put off securing Life Insurance! No more sorrowful picture than that of dependents left in want because the breadwinner has passed on without leaving a Life Insurance estate.

By being too late the uninsured steals happiness from his loved ones. Don't *you* delay any longer.

*See our Representative*

DO IT NOW! Branches in All Principal Canadian Cities DO IT NOW!

The Dominion Life Assurance Company
Since 1889
HEAD OFFICE: WATERLOO, ONTARIO

WAR LESSON No. 1

- The biggest lesson learned from this war applies also to individuals. Lack of preparedness put the United Nations on the spot. For the same reason many people are on the spot when big opportunities are offered them. If you are going to be prepared for future opportunities, you must plan your strategic campaign now! The time-tested plan of Investors Syndicate of Canada Limited . . . built to your own specifications, is a scientific way to accumulate a sum with which to take advantage of business opportunity . . . to protect your business . . . or to provide a monthly income when you retire from work. Learn how your dollars today can do *double duty* . . . work for Victory . . . and at the same time build security for yourself. For details, *write to-day!*

INVESTORS SYNDICATE
of Canada Limited
*Living Protection*... everyman's road to financial security

Head Office: Winnipeg, Man. Branch Offices in Principal Cities

CARRY MONEY SAFELY WHEN YOU TRAVEL
Canadian Pacific Express
TRAVELLERS CHEQUES

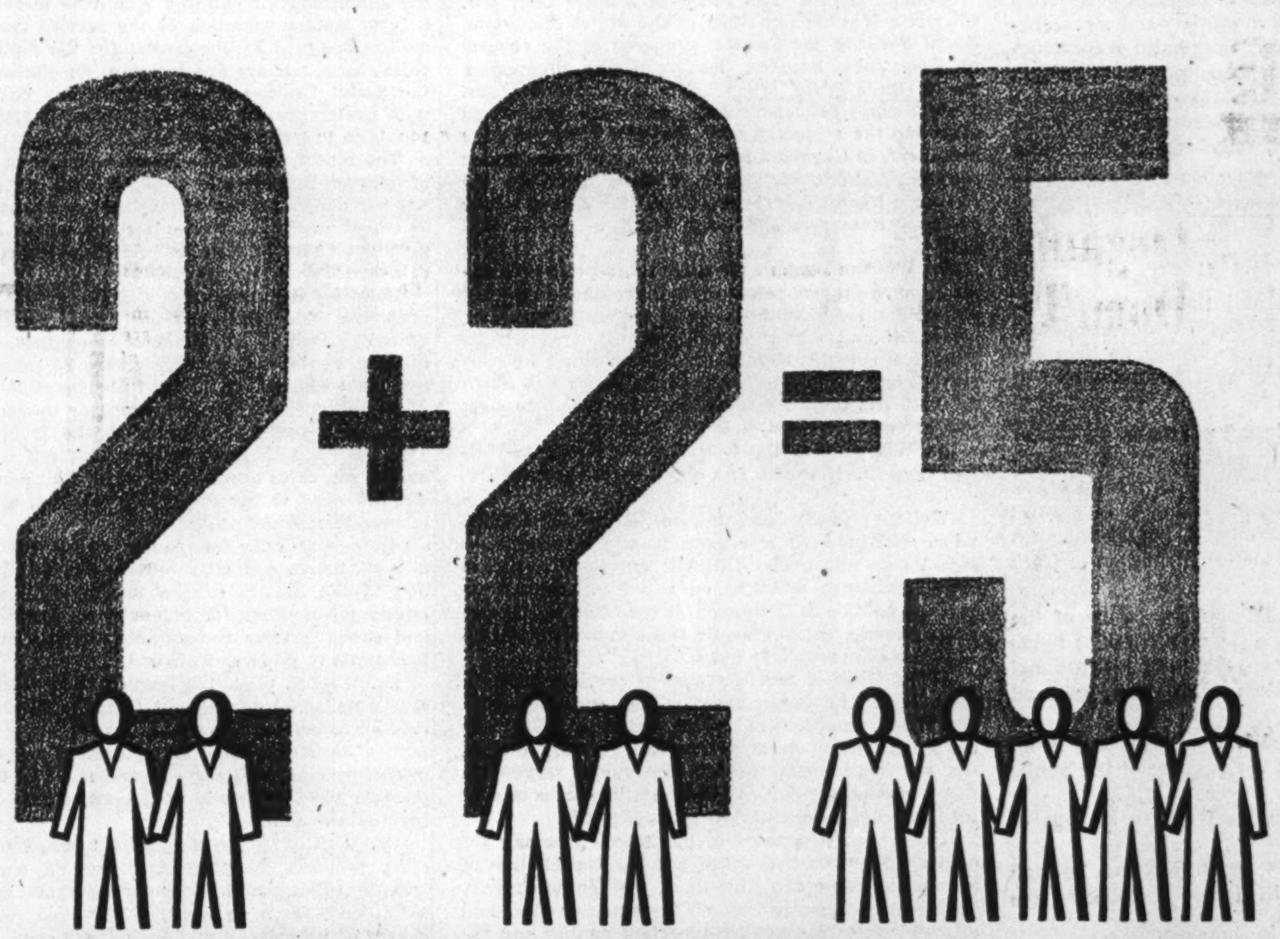
NOTICE

TO THE HOLDERS OF DOMINION OF CANADA 5% BONDS
DUE AND PAYABLE AT PAR OCTOBER 15, 1943
AND 4% BONDS DUE OCTOBER 15, 1945
(which have been called for payment at par on October 15, 1943)

Your holdings of these issues may be converted into Fifth Victory Loan Bonds dated November 1, 1943. Bonds of these issues will be accepted at a price of 100⅛% in payment for Fifth Victory Bonds. This conversion may be arranged during the Victory Loan with your Victory Loan salesman, with your Bank, Trust or Loan Company from whom details are available.

DEPARTMENT OF FINANCE

KEEP YOUR BUSINESS ON BRITISH COLUMBIA



IN BRITISH COLUMBIA

No, not a mathematical absurdity! It is a fact that in British Columbia *four people have the purchasing power of five,* based on the all-Canada average.

Latest Dominion Bureau of Statistics figures for the year 1941 show that per capita retail sales in British Columbia were 26.8% higher than the average for all Canada.

Behind these figures, market-wise Canadian business will see the vigorous industrial growth that has made it possible for British Columbians to earn and spend at such a rate. Nor is this growth of the mushroom type . . . born of the war. It springs from the extraordinary diversity of natural resource that has made British Columbia an industrial area second only to that of the St. Lawrence and Great Lakes.

Much may be expected of British Columbia after the war. That is why farsighted Canadian manufacturers are today directing their advertising to the B. C. consumer. These are the manufacturers whose products will be in most insistant demand in this prosperous, able-to-buy section of Canada.

65% of BRITISH COLUMBIA PURCHASING POWER IS IN GREATER VANCOUVER

The heart of industrial British Columbia is Greater Vancouver, where nearly two-thirds of the total purchasing power of the province is concentrated. The Vancouver Daily Province, with 102,000 circulation, covers 73% of the Greater Vancouver market. PLACE YOUR ADVERTISING WHERE IT WILL BE MOST PRODUCTIVE. . . .

VANCOUVER DAILY PROVINCE
"The Major Medium in a Major Market!"

# The Editorial Page . . .

## Creeping Demobilization

Without minimizing the task of converting the world to peace, it is clear that this time we are going to have substantial advantages in doing this major job.

In 1918, virtually no one had given serious thought to postwar problems. There was virtually no advance planning or preparation for the transition period.

Today, there is much planning, all the way from government, to industrial heads, factory managers, storekeepers, right down to the humblest housewife who buys war bonds and war savings stamps.

Secondly, the transition period this time is likely to be much longer and more gradual. In 1918 there was one central enemy fighting desperately almost up to the eve of the armistice. Today, one enemy is out of the war, another promises to be by next year, the third, probably a year after that.

Some war factories are already facing reconversion to peace output. Mass production in certain lines of equipment has outpaced conceivable military needs. There is an embarrassment of riches. Conversion to other types of war supply or to filling needs essential to keeping the civilian front in operation is now the problem facing sizeable sections of war industry. Obviously, a good deal of conversion to peace will be achieved before peace gets here.

We are now in that stage so aptly described by the Whaley-Eaton service of Washington as "creeping demobilization."

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## Danger in Empty Promises

Backfire and grief are sure to follow promises that cannot be fulfilled, H. H. Lank, of Canadian Industries Ltd., warned the Advertising and Sales Executives Club at Montreal recently. Mr. Lank explained that he was not referring only to unjustified expectations of a torrent of remarkable new goods immediately after the war. The "Pie-in-the-sky" advocates of social and economic utopianism, he rightfully included.

"If there is one new lesson I have learned in doing business in many kinds and many tongues," said Mr. Lank, "it is the importance of delivering the goods."

Without any doubt, new goods, new processes and new knowledge will combine to make the postwar world a much better place to live in, but the change cannot be expected overnight.

It is going to take time to reorient production from war to peace, to absorb soldiers and war workers back into civilian life. Successful reconstruction is going to be a tremendous job, much the largest and the most complicated this country has ever attempted and glib, empty promises now—political, economic or commercial, only add to our difficulties.

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## Fighting Inflation

Fearful of the threat of inflation, the life insurance companies in the United States have opened an institutional advertising campaign to help the government in its battle to hold down the cost of living.

Main objectives are to get people to do voluntarily the things that will prevent prices advancing: divert surplus funds into non-inflationary channels such as war bonds and life insurance; co-operate with the government by supporting such policies as rationing and the establishment of price ceilings.

The move generally follows the policy of the companies in Canada since the war began of fighting inflation through company and institutional advertising and the spoken word of agents and company executives.

In both countries the life companies are in an unique position to enlist the support of the public because:

1. They are the custodians of the savings of millions of people.

2. Their thousands of representatives through direct contact with individuals can explain the need of measures taken.

Moreover because their policyholders depend on the dollars the companies pay out, the need of maintaining the purchasing power of those dollars

## The Financial Post's Platform for War

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *A national war cabinet of Canada's best, chosen not on party lines.*
3. *A non-political industrial executive to organize and direct procurement of war supply.*
4. *Pay-as-we-go policy, to the utmost possible limit to avert inflation.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *Planning NOW for postwar, by government and business, to ensure full employment and improving social standards through individual, competitive enterprise.*

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## Praise Not Blame for Dailies

"It has become quite impossible," says a Toronto weekly publication, "to rely on the daily newspapers for any accurate account of proceedings in the courts and council chambers of this country, however significant they may be."

Such a condemnation is so sweeping as to be patently ridiculous. Either the author wrote that sentence in a moment of petulance or he doesn't know the daily press of Canada.

The high degree of accuracy in the press of Canada is one of the most remarkable things about it. In view of the difficulties under which it works, especially in wartime, and the speed of production which the public expects, the marvel is that there are so few errors.

Not the least of things against which the accurate reporter must contend are the mumblers, unfortunately comprising many judges, parliamentarians, attorneys, mayors, aldermen, councillors, court clerks and citizens. And inevitably, a reporter must depend much on verbal information.

Equally dangerous are the people who profess to know; who are bursting with zeal to be helpful and are so sure of facts they don't know.

There are as many words in the news columns of a daily newspaper as in a good-sized book. Yet the book, produced over a period of months, and with a multiplicity of checkers, is seldom without errors.

Most business firms spend hours and days composing and checking and rechecking and debating brief printed statements—material which the press must compose and get into newsprint in hours or minutes.

The daily's job is to get the news hot off the griddle; to bring by mid-day news of last night's raid on Germany; or tomorrow morning pictures of the invasion that starts today.

Telling the background, putting the facts into perspective is the job of papers of comment and opinion such as the weeklies and periodicals.

The editorial writer who so sweepingly castigates the daily press for inaccuracy should have praised it instead for its remarkable accuracy.

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## Farm Parity Reached

With the raising of the official wheat price to $1.25 a bushel last week, all leading farm products with the exception of hogs, still down a few points, are now either at or above the so-called "parity" level. It remains to be seen whether the agitation from certain sections of western Canada for a restoration of this parity level was genuine or merely a cloak for demanding continuing rising prices.

There is some confusion as to the exact meaning of parity prices both in Canada and the United States. General interpretation in Canada is the equivalent purchasing power of farm produce with 1913-14. At the beginning of this war many farm prices and especially wheat, were out of line with the prices of goods that farmers must buy.

It took more wheat, for instance, to purchase a pair of boots than it did in 1914. It also took more wheat to purchase a binder, but here more complications were involved. In 1914, practically all the wheat in Canada was harvested by binders. Today the combine, an implement that as its name implies, combines several former operations, is a major factor. And other farm machinery and other goods that farmers and all consumers buy have radically changed since 1914. Some are completely new, some like the combine, reduce costs to a fraction of 1914. It is not clear whether the parity advocates took these changes fully into consideration in making their calculations.

# The Postwar World . . .

*In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.*

## Dr. Whitton Challenges Marsh Report

*Under the title "The Dawn of Ampler Life," Dr. Charlotte Whitton's analysis of the Marsh Report on Social Security for Canada, prepared at the request of Hon. John Bracken, leader of the Progressive Conservative Party, offers not only discussion of Dr. Marsh's suggestions, questioning several principles and disputing the estimated costs, but also a comparative treatment, in Canadian terms, of the major Beveridge recommendations and some comment both on the Heagerty Health Insurance bill and the Report of the National Resources Planning Board of the United States.*

*Dr. Whitton suggests, as essential to postwar planning now, a judicial reference and decision as to what powers and responsibilities are to rest with Dominion, provincial and municipal governments, respectively. Then, she submits, action must follow either by concurrent legislation or amendment to the British North America Act to give a sound basis for action to meet postwar needs, before these are upon us.*

*Dr. Whitton is a former head of the Canadian Welfare Council. Herewith is a digest of her proposal.*

Welfare security for Canadians, Dr. Whitton maintains, will have to rest more largely on what her report calls the Social Utilities and sound, humane social assistance and less on social insurance than in Britain. This, it is claimed, is the trend in Sweden and in Russia, whose climatic and occupational conditions are comparable to our own.

Social Utilities are described as services built up through general public taxation, to serve the whole population, regardless of income, and at cost. Such are the schools, many children's services, care of the aged, etc., nursing, prenatal, cancer, tuberculosis services in many provinces today. All these services, it is recommended, should be enlarged and extended.

Diametrically opposed to the Marsh proposals for cash allowances for children and the cancellation of income tax exemptions for them, the Whitton report instead would greatly improve the schools and extend all services, caring for the expectant mother and the health training or welfare of children, all family services, etc., whether under public or voluntary or joint auspices as each province might desire Income tax exemption for children would be increased as a natural state recognition of the service and responsibility assumed by the parent for the nation in the child's care, nurture and training. On the same basis, the Social Utilities would provide low cost housing with preference for large families with young children, both to home owners and on rentals.

The report rejects the Marsh proposal of a system of funeral benefits and would divert the money to what it claims are more constructive primary needs. It would control mortician's rates where high, and give direct social assistance wherever needed, because of a death.

Breaking definitely with the Marsh and Heagerty proposals, the Whitton report proposes that some agreed standard of diagnostic medical, hospital, nursing, dental and opthalmic care be made an out-and out social utility, under full-time staff, available to all citizens with no downward or upward income limit, on a basis, comparable to the school system. This plan would leave all services, not within the agreed standards of medical care, and all persons, who did not want to use the public services, to the field of private medical practice.

More small units for the care of the aged, chronically ill, infirm and convalescent, Dr. Whitton would add to the Social Utilities in every district, using buildings now fitted for war purposes for these homes and carrying their re-equipment or the building of new units in postwar works.

Dr. Whitton urges the immediate strengthening of social assistance throughout Canada. She urges the creation now, with national income high, of a Dominion Assistance Fund to supplement provincial and municipal assistance services and make it financially possible for these units of government to discharge their responsibilities.

Dr. Whitton suggests placing unemployment and other proposed forms of insurance in one general category. This would be income insurance, calling for a flat percentage payment at the same rate for all payers of income-tax and for all, not paying income tax, who yet could meet the income insurance premium. It would be available to all, regardless of upward income level and be paid with the income tax.

# Other People's Views . . .

## The Canadian Editorial of the Week

### No Time for an Election

Montreal Standard

Since no more than a very few Canadians of any political stripe can be really desirous of a general election under present circumstances, the announcement by the Prime Minister following a national Liberal party council that none will be held, save under certain hypothetical conditions, has been widely welcomed.

Mr. King was right when he said that an opposite course, dissolution and an appeal to the country, would have caused "consternation" at this time. Agreement with this belief need have no political basis or bias.

Our land forces have already begun to lock horns with the enemy. Every day the fighting in Italy stiffens as we approach nearer to the main line of German resistance below the Alps. Tomorrow may see a full-fledged invasion aimed at Germany's western frontiers with Canadians in the forefront.

This is no time for divided or distracted attention or the pinchbeck strategies and skirmishings of political campaigns.

• • •

## The Mail-box . .

### Family Allowances

Answering your recent question, which is preferable, "in long run interests of Canada, relaxing present wage ceiling or family allowances for low income groups," I would reply as follows:

Economists tell us that 75% to 80% of the prices paid for goods sold over the counter is due to the cost of labor. If wages are increased, the price of goods will increase, and the cost of living will rise. A man therefore with a large family will not benefit, but may even be in a worse condition, as his cost of living may rise more than his wages were increased.

If family allowances for the low income groups are paid, the man with a large family will receive the allowance direct according to the size of his family. The larger the family the more allowance they will receive.

I do not, however, favor noncontributory family allowances. This is too much like relief and is bound to destroy the morale of our people. I therefore favor contributory family allowances in preference to relaxing the present wage ceiling.

T. F. Donnelly, M.P.

Ottawa.

• • •

### Built in Canada

While it is quite true that we in Canada have used designs originating in other countries, we have also designed and built quite a lot of special war machines. The machine you mention in the article for pulling bullets apart was designed by us to the order of the Dominion Arsenal. We have also designed a flock of others, such as a completely automatic machine for charging with tracer compound, and pressing the charge into tracer bullets, also machines for cordite loading of .303 cartridges, anti-aircraft practice machine gun, (worked by compressed air) also target for same, consisting of model dive bomber which follows path (scaled down) of actual dive bomber, Mills bomb filling machine, smoke bomb filling machine, cartridge case traying machine, machine for trimming bars of brass before rolling for shells, etc.

Also, we have redesigned and manufactured in large quantities machines for gauging automatically cartridge cases and bullets, automatic bullet weighing machines, etc.,

Delamere & Williams Ltd.
Victor G. Williams, President.

Toronto.

• • •

### Sea Cadets Under Navy League

In your very fine article in the Sept. 25 issue on the Royal Canadian Navy you state that in May, 1941, the naval service took over the Sea Cadet organization. This statement is incorrect although I am sure the error is not intentional.

The naval service has not taken over the Sea Cadet organization. That very fine organization is still run by the Navy League of Canada. The formation of new corps and the strengthening of existing corps is their responsibility and is carried on at their expense. The naval service is glad to assist the Navy League of Canada by giving advice and some supervision to Sea Cadet training, but the actual training itself is done by Sea Cadet officers.

The naval service is under very great obligation to the Navy League of Canada in many respects and in none more so than in the matter of the enlargement and improvement of the Sea Cadet movement. The growth of this corps is entirely due to the work of the Navy League.

A. L. Macdonald.
Minister of National Defense for Naval Services, Ottawa.

## As Others See Us . .

### Inflation Would Be Calamity

Berwick (N.S.) Register

Canada has set a brilliant example to other nations in maintaining stable prices for needed commodities. The value of the control exercised by the Wartime Prices and Trade Board comes in for a lot of questioning. However, with all its faults and despite many efforts to get it to modify its restrictions the general public is reaping the benefit.

The Financial Post stated in a recent issue that wages and price ceilings were in the utmost jeopardy and that factors in the government were seeking to abandon them. This indeed would be a national calamity for it would undoubtedly lead to inflation. Hon. J. L. Ilsley on several occasions has presented the consequences in no uncertain terms, and has had too little support in maintaining stable national financing.

• • •

### Must Fight Inflation

Brantford Expositor

In Ottawa, the Government itself will have to face the situation with much greater realism and thoroughness than it has exhibited to date. There is evidence that, except for Finance Minister Ilsley and his immediate Boards, chief among them the Prices body, the Cabinet, has not watched the case with enough care. In the words of The Financial Post: ". . . on the wage front, the Cabinet's manpower policy and successive retreats and routs in the face of jabs and shouts from misguided or self-seeking minorities had brought the big anti-inflation machine, so laboriously constructed, so willingly accepted by Canadians, to the edge of a precipice."

Controls are not exercised merely for the purpose of permitting a governmental board to display bureaucratic authority. They are vitally necessary to the economic stability of the country and the financial security of every citizen, whether he draws a salary cheque or a pay envelope. This key fact must be grasped by the people, and acted upon by the Government. Failing that, the only alternative is disaster of the kind that overtook Germany and other countries in the last war, which is engulfing Mexico at present, and which is even now developing in the United States.

• • •

## Sayings of the Week

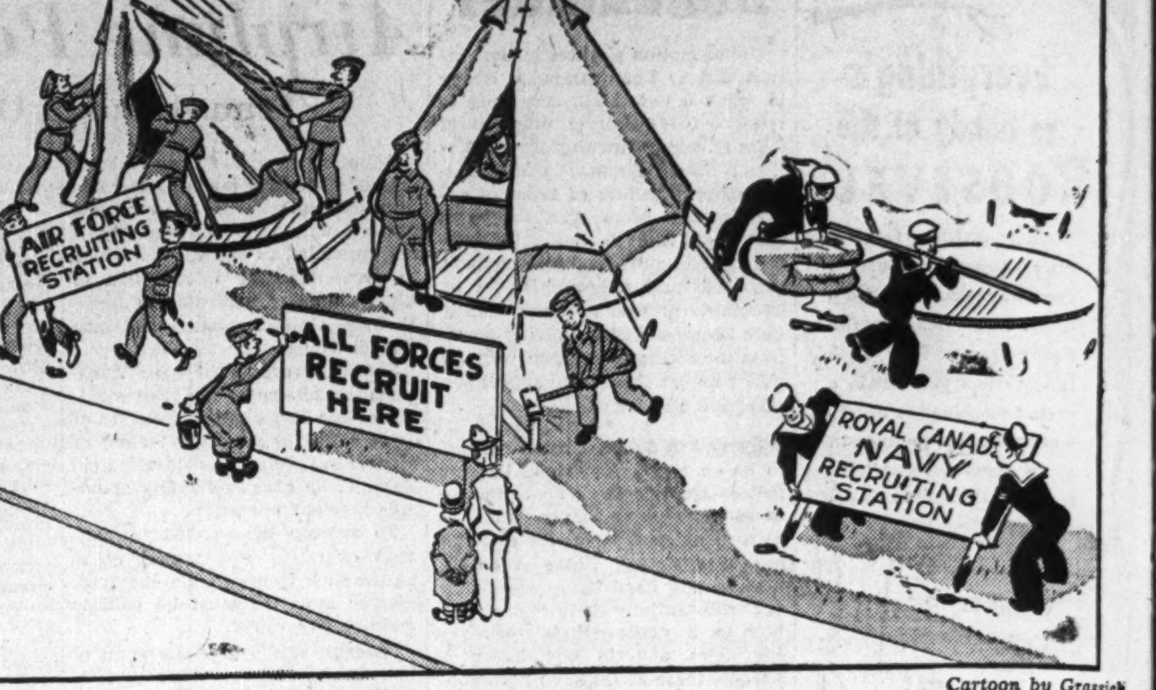
"We must beware of trying to build a society in which nobody counts for anything except a politician or an official, a society where enterprise gains no reward and thrift no privilege."—*Winston Churchill.*

• • •

"One missing part may mean that a ship can't sail or that a bomber can't fly or a gun won't fire, so one war plant can't have materials and services at the expense of another."—*H. J. Carmichael, Co-ordinator of Production, Department of Munitions and Supply.*

• • •

"Certainly no better goal for public relations in business and industry could be sought than one which strives for peace between all the elements going to make up the community and economy under which we live."—*H. H. Lank, Vice-President, Canadian Industries Limited, in a recent Montreal address.*


AIR FORCE RECRUITING STATION
ALL FORCES RECRUIT HERE
ROYAL CANAD NAVY RECRUITING STATION

Cartoon by Grassick

THEY ARE ALL IN THE ONE FIGHT SO ONE TENT WILL DO

# Post-Scripts . . . .

## Anaconda Head Retires

After almost 43 years of service in the industry Marvin S. Moss, general manager of Anaconda American Brass Ltd., of New Toronto, retired Oct. 1, and this week a number of his Canadian and American associates are giving him a testimonial dinner in Toronto. He hoped to continue in full harness for at least the duration but ill health intervened. Although mill management and finance have always been considered Moss specialties, he has been an outstanding organizer of charity and patriotic drives as well. In fact for a period during the last war Uncle Sam borrowed his services exclusively for this sort of work.

MR. MOSS

The recent Welfare Campaign whereby contributions to charitable organizations are pooled, follows a plan Moss and his company adopted in the last war and continued in this. Under this plan during a certain specified period at regular intervals all the earnings of workers in the big Anaconda plant, plus a balancing donation from the company, go into a pool for war charities.

Mr. Moss started his career in the copper and brass business in 1901.

After several years keeping books young Moss became interested in production and requested transfer into the manufacturing department. Budget control of mill operations was one of his chief concerns, and a system he inaugurated at Kenosha proved so satisfactory that eventually it became standard practice with all the mills of the company. Later he was appointed economy supervisor of the Kenosha mill.

In 1922 he came to Canada when American Brass purchased Brown's Copper and Brass Rolling Mills at New Toronto. His first position in Canada was superintendent of the newly formed company; Anaconda American Brass Ltd., and in 1927 he was appointed general manager. He is also vice-president of Canada Strip Mill Limited with branches at New Toronto and Montreal — a government-owned Anaconda-operated company engaged in the manufacture of brass sheet and rod for munitions purposes.

Marvin Moss was born in Park Ridge, Illinois, 1876, and became a Canadian citizen not long after taking up residence in this country. Quiet and retiring he is a firm believer in church attendance and support and has served on the finance committee of a number of churches in the United States and Canada.

## A Production Man

H. G. Hilton, new executive vice-president of the Steel Company of Canada is authentically a production man. His specialized education and every job he has filled since he got that education were all geared to production. During the last 16 years he has been responsible for the development of Steel's big Hamilton plant, one of the most modern on the continent, which last year produced one million tons of ingots.

Ashley & Crippen photo.
MR. HILTON

Hilton was born at Strathroy, Ontario, only about a couple of hours' drive from his present office. He got his technical education, however, at Case School of Applied Science in Cleveland, graduating with a degree of Engineer of Mines in 1910. Immediately afterwards he entered the employment of Pickands Mather & Company at the blast furnace plant in Chicago.

For the next nine years he held several responsible blast furnace operating positions in the United States and then he came back to Canada. He became associated with Steel of Canada as assistant superintendent of the blast furnaces in Hamilton. He was later promoted to superintendent, in 1927 assistant works manager, and in 1934 works manager. Six years ago Mr. Hilton was appointed vice-president of the company and elected a director in 1941.

Close associates of Mr. Hilton credit him with a great fund of information concerning the steel industry, a progressive interest in new developments and also in employer-employee relations. He is a member of the American Iron and Steel Institute, American Institute of Mining and Metallurgical Engineers, Canadian Manufacturers' Association, Hamilton Chamber of Commerce and many other civic institutions.

• • •

## Air Woman No. 1

The life of a civilian had little attraction for Wing Officer Willa Walker, recently appointed senior Women's Division Staff Officer of the Royal Canadian Air Force at Ottawa headquarters. In 1940 she returned to Canada from England and enlisting in the women's division of the Air Force on the first opportunity she was among the first 150 women to put on Air Force blue.

MRS. WALKER

Working up from the ranks, where she started with a period of basic training at No. 2 Composite Training School, Toronto—then No. 6 Manning Depot—Willa Walker graduated with top honors, was commissioned and posted as WD Command Staff Officer, No. 1 Training Command, Toronto. During her term there she assisted in the establishment of eight WD units.

Next move was to the position of officer commanding No. 7 Manning Depot, Rockcliffe, where Wing Officer Walker supervised training of the recruits. In spring, 1943, therefore, she was logical woman to take over the post vacated by Squadron Officer K. O. Walker who, as senior Women's Division Staff Officer at the time, had been posted overseas to Great Britain.

WO Walker is the daughter of Col. and Mrs. A. A. Magee of Montreal and combines with her administrative skill a varied experience gained in travel, society and business life.

As postmistress on the Empress of Britain, she made a world cruise in 1934. Junior League and other activities absorbed her energies thereafter for a period until she left for Washington to take a secretarial position.

Marriage to Capt. David Walker of the Black Watch, then ADC to Lord Tweedsmuir, took place in 1939. Upon outbreak of war Walker returned to his regiment in England taking along his wife. He was taken prisoner during the German drive on the Channel ports in 1940.

## Heads Mining Probe

In appointing Norman C. Urquhart as chairman of the Ontario fact-finding committee on mining, Premier George Drew recognized the advantages of having a practical man, with a keen insight into mining affairs, at the head of a group of individuals who might be regarded as specialists in the sides of mining which they represent.

MR. URQUHART

Urquhart has demonstrated his ability as an all-round businessman in many ways. For years he conducted one of the most successful Toronto brokerage firms under the name of N. C. Urquhart Co., retiring from the brokerage business at the end of 1941 to devote the major part of his time to an important wartime job—managing the Red Cross aid to British prisoners. Despite demands of his new job, details of which he keeps at his fingertips, Urquhart has still found time to chairman the Toronto Special Names Victory Loan Committee for the last few years, (including the one scheduled for Oct. 18), and to take an active interest in the numerous companies of which he is a director.

In selecting members for his fact-finding committee, Norman Urquhart has selected men who are well and favorably known as specialists in their fields. The objective laid down for the committee, it is hoped, will be an augury of success. It is ". . . to examine and study all phases of the mining industry and to make such recommendations to the government as will aid in bringing mining into its rightful place in the economic life of the country."

Burly Norman Urquhart, in his new work, will carry with him the best wishes of all those who appreciate the important place of mining in the Canadian economy.

• • •

## Stop Me If . . .

A doctor and a lawyer were arguing over their respective professions. "I don't say that all lawyers are crooks," said the doctor, "but you'll have to admit that the legal profession doesn't make angels of men."

"You're right," answered the lawyer, "you doctors certainly have the better of us there!"

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"It's loss of hope, not loss of life that makes a nation capitulate." — *Gen. Harold L. George, of U. S. Air Transport Command.*

• • •

"Too bad someone can't start a rumor that war bonds are going to be rationed. The public would grab up the available supply in a hurry."—*L & N Magazine.*

The Financial Post

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A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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# What's On Your Mind?

The idea for this advertisement came while chatting with a customer . . . the President of the Canadian Division of a world-wide enterprise.

Like myself, he started at the bottom of the ladder and is where he is because of what he is.

In the course of our conversation, he said that although their output was pre-empted by war's requirements, the entire sales and service staff were diligently calling upon every customer to discover how they could make the best *post-war* use of their equipment. Some of them won't need as much equipment as they now have; others may need more. And some will be able to adapt their present equipment to new uses.

This data will be of enormous value and provide the Company's production department and sales force with exact information upon which to resume post-war operations. In the meantime the Company is establishing a receptive frame of mind among customers who will be glad to receive useful suggestions when they also resume normal business.

Keen executives, realizing that temporary dislocations will follow when production for war ceases, are now preparing, regardless of what happens, to keep customers sold on present products and pave the way to acceptance of new ones.

Another point: this firm is *doing its own research work*—using its own trained, competent sales and service men to do the researching. No outside firm could do this so well. They wouldn't have the entree to begin with, and couldn't possibly know the uses for the equipment as well as do the firm's own sales and service men. So much for the post-war plans of one business.

• • • • •

Another of my customers thinks that planning for post-war eventualities is futile. He is obsessed by what he fears is going to happen politically. He foresees State ownership of this and that and God knows what else. I have tried to reassure him that the world will still go on. I explained that what happened in Russia wouldn't happen here and showed him why it couldn't. The 90% illiterate Russians of Czarist times *had nothing to lose;* whereas 90% of our people *have something to lose* and will fight like the devil to preserve it, when they realise what the theoretical Lads of the Left are after.

The truth is that a lot of nonsense is being spoken and written about the post-war world and what may happen to post-war business. Unfortunately so few business men have seen very much of this jolly old world and its people that they are apt to think that people in other countries are a strange and different species. Consequently, when they read so much guesswork about what may happen, they see "bogeys".

From a great deal of travelling among and contact with people in foreign countries, I have found that they are pretty much like us . . . . they have the same desires and ambition and work hard to realise them.

My opinion (which may not be worth a hoot anyway) is that after the war the world will go on doing business along pretty much the same lines . . . but do business on a broader, better basis. . . not so much dog-eat-dog competition; and the devil take the hindmost.

This old planet has had lots of ups and downs in the past two thousand years; but somehow or other it always emerges from the evils that threaten it, stronger, more vigorous and more progressive than before. Samson, you may recall, set the riddle and answered it—"out of the eater came forth meat, and out of the strong came forth sweetness".

The wise men—the Leftists of that day—couldn't answer his riddle and were hesitant and afraid. Samson slew the Lion. It was Delilah who did him down.

There are riddles to solve these days; Life itself is a perpetual riddle; but thank God we have strong men to solve riddles. They are not worrying about theorists. They are "Slaying the Lions" as they come along, and are planning to make and sell more peacetime goods than ever before. Consequently, the businesses of these strong men will flourish in spite of politicians' ineptitudes and dreamy-schemers who, never having conducted a successful enterprise of their own, want to get themselves elected to power and then take over and nationalize business and give their henchmen the job of running things.

Don't worry. This phase will pass. People will continue to procreate and eat and drink and wear clothes and live in houses and buy safety pins and manure spreaders and lipsticks and motor cars and a whole lot of other things, the same as ever. Some of the things they will buy are still at the "drafting board stage" of planning by progressive men who know that people will buy anything that will add to their comfort and well being.

That's one of the reasons why the job for advertising to do in the post-war world promises to be so fascinating.

If you believe with me that Canada is not going to the "demnition bow-wows" after the war; and that most of us will be still doing business at the old stand, it is possible that you, as a manufacturer, and I, as an advertising man, can get together and plan to secure your share of the extra business that will arise in the post-war era.

How about it? What's on your mind?

Thornton Purkis

330 BAY STREET, TORONTO
ADEL. 6221

The Fighting French are making an appeal for funds to aid the people of France as soon as they are liberated. I have looked into this cause and it is worthy. If you can send a modest amount to assist them in their good work, it will be wisely used and gratefully received. Cheques should be made payable to the Fighting French Committee, and addressed to 12 Richmond Street East, Toronto.

---

**Labor Utilization**

# Office Staffs in Overalls?

## *White Collar "Stretching" Gets Results at Labatt's*

**Canada's manpower problem demands widespread voluntary action and the application of many expedients to supplement none too effective over-all policy.**

**Is the white collar worker a neglected segment of latent industrial labor?**

**Can office staffs do a real job in our plants on a time-sharing basis?**

**Management in general will seek the answer in plants where it has already been found and Labatt's of London, Ont., say an emphatic "yes".**

By CLIVE H. CHATTOE

"Mr. Jack's office, Miss Smith speaking."

"Mr. Jack, please."

"Sorry, Mr. Jack is working in the plant this afternoon."

If the caller knew Gordon H. Jack as advertising and personnel department manager of one of the oldest (1832) and biggest (600 employees) brewing businesses in the country, but if at the same time he hadn't learned of some of the surprising things John Labatt Ltd., is doing these days at London, Ont., suddenness of the suggestion of a smart young executive in overalls would be confusing.

If he were as inquisitive as The Financial Post about what's new in business, the caller would have learned that most of Labatt's white collar force recently have been serving in the plant at regular intervals and that Labatt executives of all ages and ranks leave their desks at least twice a week to pinch-hit for plant workers now serving with the armed forces.

And, lest it be supposed that the administrative and sales force is setting an example by gesture alone and merely ornamenting the production line, Labatt plant bosses say that with the present manpower shortage it would not be possible to maintain operations without the help given by office and field forces.

Doubtless other plants are doing it. The Labatt system is presented simply as a case history example.

**Manpower Solution?**

Here is an impressive demonstration of the benefits of "stretching" white collar labor. Is it a key to early improvement in the manpower position of low-priority industry generally?

"This is just our way of utilizing a labor reservoir available among our own office and sales personnel," Labatt General Manager Hugh Mackenzie told The Post at London.

"To our own satisfaction, at least, we have proven that office and field men can come into the plant and render very substantial service."

If low priority industries, in natural grouping as related by product and competition, were to compare each others' per capita productivity, including in the comparison their office and sales forces, the picture of non-utilization that might emerge might be an eye-opener to many.

**Field Waste Recognized**

Under wartime conditions, the chief job of most sales forces is to keep their customers supplied with merchandise to meet their immediate needs. That this is a most important job and in many instances a difficult one cannot be denied. But at the same time, under such conditions it is not always a full-time job.

Without impairing their effectiveness many sales forces could well serve their own and the public interest by shifting younger salesmen, temporarily or periodically, for productive tasks and thus make up in part the crucial shortage of labor.

"The readiness and ability of office and field personnel to do plant jobs was most gratifying—in some respects surprising," the Labatt manager told The Post.

**The Utilization Plan**

The white collar voluntary utilization plan is the latest of Labatt's collective war-winning efforts.

It is entirely voluntary in concept—the company of itself elected to suggest the experiment to Labatt employees and they in turn had the choice of participating or not.

With the 30 hotel service men previously converted to a full-time machine shop force, remaining field personnel numbered 33 travellers. Of these, 27 now come in from their territories for regular two-week full-time stints in the brewery and, in their absence from the field, letters and telephone calls from head office help maintain customer contacts. The six representatives not participating have been barred by distance, age or ill-health.

The entire male office staff, including executives, is making a proportionate contribution to success of the effort, working in the plant the equivalent of at least one 10-hr. shift weekly, usually in two 5-hr. half-shifts.

**Women at Labatt's**

At the moment, plans are being completed for voluntary participation of the girls of the office staff. Their job, probably also on the scale of two half-shifts weekly, will be to sort cartons for re-use. Carton conservation was the subject of a recent government order and when the girls take it on they will be releasing perhaps a half dozen men for direct productive work.

In keeping with wartime trends in most industry Labatt's since last May have had women working in the plant (on packing and other final operations) for the first time in the firm's century-plus of existence.

Cognizant of a desire on the part of many wives of employees with the armed forces to take their husbands' places, Labatt's offered them employment. From this nucleus, with NSS approval, the female force in the plant is being built up to a strength of about 90.

**Plant Men Approve**

Wondering whether plant bosses and men would not look a little sourly on the recurring descent of the eager hordes from the office and the road, The Post talked to a number of Labatt plant officials.

Bottling and packing superintendent H. R. Hartley was enthusiastic. Said he:

"If I hadn't had the help of these men for the past three months my production alone would have dropped 20%. I've been surprised by the way they've kept up the pace set by fully experienced men and have been not only willing but decidedly able."

In passing, Hartley expressed satisfaction with work of the newfound feminine force. A big and hearty man, he had never before dealt with woman workers but his confident praise suggests feminine foibles don't trouble him, that he is meshing the distaff side into the production system without too much gnashing of gears.

**Okay with Union**

Big Sam Martin, in charge of incoming "empties," is a prominent union executive. Asked how the boys in general viewed the helping hand from the direction of the office he replied at once they thought it "all to the good." While he overlooked a question on longer-term implications, Martin called the voluntary assistance scheme "proper in the circumstances, and most welcome." Of the sales and office men themselves he said: "They have their limitations (referring to brawn and experience) but they're doing a real good job and making a lot of difference."

Assistant brewmaster Tom Morgan gravely praised both intent and result of the co-operative effort.

Field men, he explained, are picking up valuable knowledge of brewing technique and Labatt methods which will stand them and the company in good stead when normal routine is resumed.

**Broader Possibilities?**

For a considerable period many "non-essential" industries, occupying the anomalous position of being rated by the government high for production but low for labor priority, have struggled with as difficult a manpower problem as has confronted wartime business.

Continuing to lose personnel from plant, office and field, and with NSS offices unable to supply help due to the extraordinary demands of "essential" industries, they have also felt the pinch from the labor transfer squeeze.

Labatt executives think the idea of "stretching" white collar labor is one that will get increased study.

**Making Munitions**

The Labatt brewery is making munitions as well as beer.

When, in June, 1942, in response to shortages of gasoline, tires, parts, equipment, drivers and mechanics, the company swung to rail transport and retired all but six of its 55 motor trucks, space in the Labatt garage became available.

The garage was turned into a machine shop devoted to war production. In it was installed a modest but complete assembly of machine tools. The entire Labatt hotel equipment service force of 30 men was brought in and trained as machinists. A high rate of production has been maintained and at present the one-time brewery garage is finishing cast steel axles for army trucks, valves for naval and merchant ships and other bits and pieces for co-operating war plants under M & S Dept's direction.

Except for advice, the hotels are getting along for the duration without Labatt technical aid in maintenance of beverage dispensing equipment.

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# The Week in Business

| | Sept. | Aug. | July | June | Year Ago |
|---|---|---|---|---|---|
| **Financial Post Production Index** | .... | 255.5 | 254.4 | 252.7 | 249.0 |
| National income, D.B.S. (c) | .... | .... | §749 | §752 | 658 |
| Dom. war expend. (million $) | .... | 436.3 | 264.2 | 256.3 | 171.9 |
| Dom. total revenue (do) | .... | 208.7 | 283.0 | 198.8 | 164.3 |
| Dom. total expend. (do.) | .... | 470.3 | 498.9 | 322.0 | 299.8 |
| ■Dept. store sales index no. | .... | 147.1 | 144.7 | 130.9 | 154.5 |
| Retail sales index no. | .... | .... | 155.8 | 155.5 | 150.4 |
| Wholesale sales index no. | .... | .... | 174.8 | 174.3 | 154.3 |
| ■Country store (% change pr. yr.) | .... | +7.7 | +17.6 | +14.9 | +10.0 |
| ■Divd. payment index♦ | 124.0 | 124.2 | 124.2 | 123.5 | 123.5 |
| Bank deposits (1935-39=100) | .... | 169.9 | 176.0 | .... | 163.0 |
| ■Cash and cheque pay. index | .... | 161.3 | 174.7 | 171.3 | 138.6 |
| ■Bank debits (1935-39=100) | .... | 157.1 | 158.2 | 147.5 | 136.0 |
| ■Money supply (c) | .... | 4,735 | 4,851 | 4,883 | 3,772 |
| **NEWSPRINT % OF CAPACITY—** | | | | | |
| ■Production ratio | .... | 70.1 | 70.9 | 69.6 | 68.4 |
| ■Shipment ratio | .... | 70.4 | 76.8 | 72.7 | 69.0 |
| **RAILWAY FREIGHT LOADINGS—** | | | | | |
| Tons (D.B.S. index) | .... | 182.8 | 190.3 | 201.4 | 163.0 |
| Cars (D.B.S. index) | .... | 138.7 | 148.0 | 147.0 | 129.6 |
| **COST OF LIVING—** | | | | | |
| ■ D.B.S. index | 119.4 | 119.2 | 118.8 | 118.5 | 117.4 |
| **EMPLOYMENT INDEX No. D.B.S.—** | | | | | |
| All industries | .... | .... | 183.7 | 181.2 | 175.7 |
| Manufacturing | .... | .... | 226.5 | 224.2 | 209.5 |
| Payrolls (June 1/41=100 (b) | .... | .... | 145.7 | 143.6 | 129.5 |
| Payrolls (June 1/41=100) (b) | .... | .... | 225 | 225 | 204 |
| **RAILWAYS—** | **1943** | **1942** | **1943 Jan. 1 to date** | **1942** | **Change %** |
| ■Carloadings (week Sept. 25) | 72,255 | 67,833 | 2,518,903 | 2,490,190 | +1.1 |
| ■C.P.R. gross (week Sept. 30) $ | 8,501,000 | 7,039,000 | 216,019,000 | 187,126,000 | +15.4 |
| C.N.R. gross rev. .. (Aug.) $ | 39,687,000 | 34,419,000 | 290,003,000 | 236,967,000 | +22.3 |
| C.N.R. net rev. ... (Aug.) $ | 9,062,000 | 8,178,000 | 62,693,000 | 53,929,000 | +16.2 |
| ■C.P.R. gross rev. .. (Aug.) $ | 26,855,759 | 22,053,767 | 189,729,872 | 165,012,867 | +14.9 |
| ■C.P.R. net rev. .... (Aug.) $ | 3,843,887 | 3,220,030 | 28,977,096 | 28,436,564 | +1.9 |
| **IRON AND STEEL—(August)—** | | | | | |
| ■Pig iron production (tons) | 164,906 | 162,578 | 1,184,064 | 1,308,731 | —9.5 |
| ■Steel production .. (tons) | 246,820 | 248,868 | 1,996,481 | 2,064,666 | —3.3 |
| **CONSTRUCTION—** | | | | | |
| ■Contracts awarded . (Sept.) $ | 15,570,600 | 29,675,100 | 160,729,600 | 228,486,900 | —29.7 |
| Building permits .. (Aug.) $ | 7,080,395 | 8,342,168 | 52,195,351 | 70,321,194 | —25.7 |
| Cement prod., bbls. (July) | 935,465 | 1,245,588 | 3,935,826 | 4,708,246 | —16.4 |
| **AGRICULTURE—** | | | | | |
| Flour prod., bbls .. (July) | 1,945,123 | 1,590,219 | 14,104,738 | 11,315,427 | +24.6 |
| Cattle sales▲ ... . (Aug.) | 126,045 | 98,176 | 699,782 | 708,029 | —1.1 |
| Hog sales▲ ...... (Aug.) | 400,253 | 331,246 | 4,133,894 | 3,939,989 | +4.9 |
| **SEA FISHERIES—‡** | | | | | |
| Catch cwts. (a) . ... (June) | 1,069,752 | 992,079 | 3,685,576 | 4,417,285 | —16.6 |
| Landed value ..... (June) | 5,711,877 | 3,716,970 | 14,816,993 | 10,452,840 | +41.8 |
| **NEWSPRINT—** | | | | | |
| Production, tons ... (Aug.) | 259,612 | 253,239 | 1,965,605 | 2,152,591 | —8.6 |
| ■Exports, tons ....... (Aug.) | 244,416 | 240,130 | 1,874,547 | 1,987,388 | —5.6 |
| **MINING AND OILS—** | | | | | |
| ■Coal prod., tons .... (Aug.) | 1,426,032 | 1,468,448 | 11,685,386 | 12,434,353 | —6.0 |
| Gold rec. (fine oz.) (Aug.) | 255,878 | 363,368 | 2,501,625 | 3,164,991 | —20.9 |
| Petroleum prod., brl. (June) | 826,119 | 856,746 | 5,037,870 | 5,240,038 | —3.6 |
| **ELECTRIC POWER OUTPUT—(August)** | | | | | |
| Total monthly 1,000 kw.h.'s | 3,428,513 | 2,989,690 | 26,456,985 | 24,567,745 | +7.7 |
| **OTHER INDUSTRIAL FACTORS—** | | | | | |
| Shoes, prod., pr. . . (July) | 2,848,408 | 2,597,862 | 20,251,037 | 19,091,132 | +6.1 |
| Cotton consump., lb. (Aug. | 13,959,740 | 15,906,594 | 123,755,507 | 132,546,192 | —7.1 |
| Cigarette cons. No.† (Aug.) | 919,367 | 852,493 | 7,281,162 | 6,331,719 | +14.9 |
| **FINANCE—** | | | | | |
| Bank debits† .. ... (Aug.) $ | 4,020,267 | 3,479,745 | 33,893,600 | 28,775,585 | +17.7 |
| Bond sales† .. ... (Aug.) $ | 123,725 | 340,755 | 3,643,915 | 2,589,052 | +40.7 |
| Life insurance sales (Aug.) $ | 45,612,000 | 39,963,000 | 377,715,000 | 323,611,000 | +16.7 |

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. ●Millions of dollars.
♦Supplied by Nesbitt, Thomson & Co. ■1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.

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STEEL PLATE Work

FOR CANADA'S WAR INDUSTRY

The plant and facilities of Toronto Iron Works, Limited, are constantly turning out important steel plate units essential to our country's war industry. Despite these heavy demands, we are not overlooking other customers and shall endeavour to take care of orders for . . .

STORAGE TANKS - PRESSURE TANKS
BINS and HOPPERS - STEEL STACKS
WELDED and RIVETTED STEEL PIPE

Designed - Fabricated - Erected

The TORONTO IRON WORKS Limited
TORONTO MONTREAL

---

JOHNSON & HIGGINS
(CANADA) LIMITED
INSURANCE BROKERS

THIS NATION-WIDE ORGANIZATION—nearly 100 years in business—neither owns nor represents any insurance company or companies. At no additional cost, we act as buyers and professional advisers—at all times representing you, the insured. Members of our staff have a thorough knowledge of insurance laws, contracts, customs and markets. Complete information on request.

MONTREAL · TORONTO · WINNIPEG · VANCOUVER

*Correspondents*

NEW YORK · PHILADELPHIA · BUFFALO · DETROIT · CHICAGO
· SEATTLE · SAN FRANCISCO · LOS ANGELES · HAVANA

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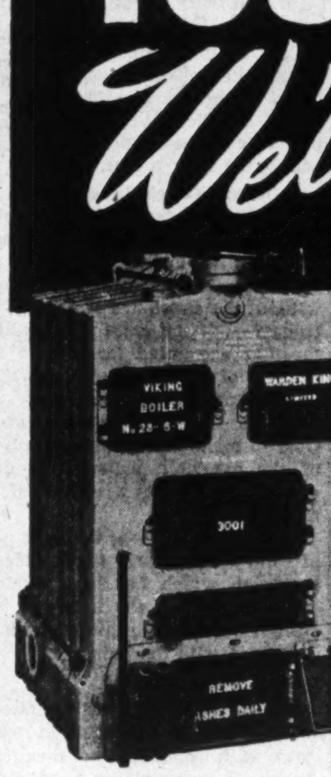
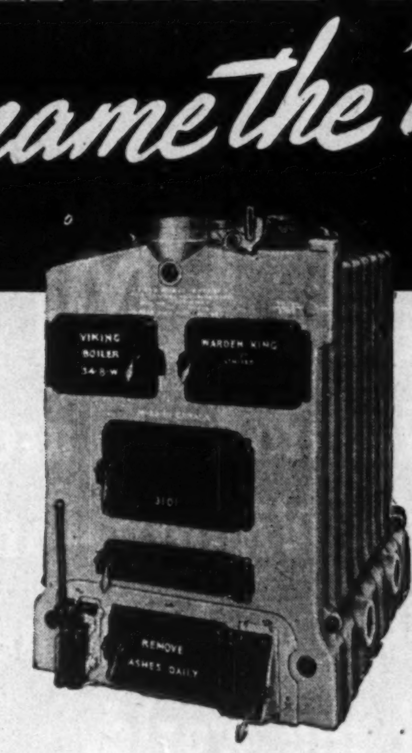
YOU NAME THE JOB
We'll name the Boiler!



"28" Series—Seven sizes: from 1,280 to 3,200 square feet capacity on hot water, 800 to 1,990 on steam. Can be hooked up in series for additional capacity.



"34" Series—largest boiler in the standard "Viking" line. Net radiation up to 5,980 sq. ft. on hot water, up to 3,760 on steam. Nine sizes. Can be hooked up in series like the "28".

VIKING BOILER
KEEP FLUES CLEAN
WARDEN KING
3501
REMOVE ASHES DAILY

"18" Series—A household boiler with all the basic features of the "Viking" line. Hot water, seven sizes up to 1,480 square feet of net radiation; steam, up to 915 feet.

VIKING JUNIOR
WARDEN KING LIMITED
4100

Viking "Junior" — Smallest of the "Viking" line, particularly designed for homes without basements. Requires only 42" head room. Wet base construction with low return inlets permits installation without foundation. Up to 620 square feet radiation.

VIKING BOILER
550-W
KEEP FLUES CLEAN
WARDEN KING LIMITED
3901
REMOVE ASHES DAILY

"400-W, 550-W, 700-W" Series—Similar to 18 Series but with steam dome eliminated to permit installation under low ceilings. Only 4' high. Up to 700 square feet of net radiation, hot water only.

1942
HEATING CATALOGUE
BOILERS - RADIATORS
WATER HEATERS

COMPLETE DETAILS of the entire range of outstanding "Viking" and "Daisy" Boilers, as well as hot water heaters and radiators are contained in this HEATING CATALOGUE. It shows only the products available today — no confusion about unobtainable items. Ask for your copy.

CRANE
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*PLUMBING · HEATING · PUMPS · VALVES · FITTINGS · PIPE*
NATION-WIDE SERVICE THROUGH BRANCHES, WHOLESALERS AND PLUMBING AND HEATING CONTRACTORS

Planning TO WIN!

"Over There" and at Home

● To win "over there" calls for sound military strategy, backed by more and more made-in-Canada war weapons. These can be provided through your investments in War Savings Certificates. Buy all you can.

On the home front, sound strategy calls for a checking up of your life insurance holdings. Are they adequate? Before you answer this question in your own mind, remember how times have changed. Your family responsibilities may have grown. Increased succession duties in recent years may have placed an added burden on your estate.

Plan to win "over there" and at home! Buy War Savings Certificates for today and check your life insurance plans for tomorrow. An Imperial Life representative will be glad to assist, without obligating you in any way.

See Your Local Representative

IMPERIAL LIFE
Founded 1897
Head Office · TORONTO
BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

# Will Not Test Bargaining Act Validity

## Atlas Steels Withdraws Ontario Supreme Court Action for Nullity

From Our Own Correspondent

WELLAND.—Atlas Steels Ltd. has discontinued action for an Ontario Supreme Court declaration of nullity of the province's Collective Bargaining Act. The Financial Post is advised by J. L. G. Keogh, of the St. Catharines law firm of Bench, Keogh & Cavers, company counsel.

Issued two months ago in connection with a case in Ontario Labor Court for certification of a bargaining agency at the Atlas Steels plant, the writ questioned the Act's constitutional validity. It would have been dealt with this month.

Three reasons for the withdrawal are given The Post by Mr. Keogh:

1. Dismissal in Ontario Labor Court by Mr. Justice D. P. J. Kelly of certification application made by United Electrical, Radio & Machine Workers of America (CIO-CCL); a judgment considered favorable by the company.

2. Recent announcement by Ontario Labor Minister Charles Daley that the provincial government was setting up a committee to review and probably revise the Ontario Collective Bargaining Act.

3. Recent revelation at Ottawa that the Dominion Government has been preparing for early passage of an order-in-council setting up national collective bargaining machinery which, according to Mr. Keogh, might over-ride similar provincial legislation.

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**Eastern Car Co.**, subsidiary of Nova Scotia Steel & Coal Co. has called for redemption on Jan. 1 next, at 105 and accrued interest, $57,800 of its 6% first mortgage bonds. Following this redemption the company will have outstanding $231,200 of bonded debt.

# Alberta Debt Refunding Talks May Start Again

## Province Appears Ready to Pay 3¾% and Make Provision for Paying Overdue Interest On Its Bonds

From Our Own Correspondent

EDMONTON.—Refunding of Alberta's public debt of approximately $140 millions still holds the spotlight. It was brought up again at the recent Social Credit caucus held in Edmonton, when reports on the progress of negotiations were submitted.

While negotiations between representatives of the bondholders and the government collapsed in 1941, the "door has not been closed," Hon. Solon Low, Provincial Treasurer, has stated. Within the last few days, government spokesmen have said that negotiations were continuing and in all likelihood these may be reopened shortly in the East.

When the negotiations collapsed, there was only a difference of one-half per cent in the rate the bondholders' representatives were willing to recommend and what the government was willing to pay. The former asked for a 4% rate and the government offered 3½%.

The government has maintained all along that its desire has been to refund the provincial bonds at lower interest rates.

Speaking at the last session of the legislators, Mr. Low said:

"I am sure that our debt will be refunded. It is my determination to do my utmost to get it done at the earliest possible time. I am sure we should make every effort to have the job done on a basis which will make it possible for Alberta to pay off the principal sum along with the interest agreed upon."

Alberta is in default some $31 millions in bond maturities and $22 millions in defaulted interest, while it has pledged treasury bills to the Dominion Government for $28 millions covering borrowings in past years for unemployment relief purposes. The Dominion has been renewing each year these treasury bills, which bear 3% interest, but recently notified the province of its refusal to renew a bill for $400,000 and may adopt a similar course concerning a treasury bill for $1.6 million maturing Oct. 1.

These developments, it is believed, will serve to give impetus to efforts on the part of the province to effect a refunding scheme.

Alberta now is offering to pay an interest rate of 2.44% on its bonds but indicated willingness to go to 3½% in a refunding scheme at the time of the conference on the proposals. Now reliable reports indicate 3¾% might be acceptable to the province.

One snag in a refunding plan, and which proved a major hurdle in the 1941 negotiations, is what to do about the defaulted interest. One suggestion is that the province would agree to pay this at the rate specified in the refunding plan, and might make it retroactive to June 1, 1936, when the government arbitrarily cut the coupon interest rates in half.

Undoubtedly there is stronger support for the advocates of refunding on the Social Credit side than in the earlier years of the administration. On one occasion, the government caucus decided that no matter what scheme was put forward, the rate should not exceed what the government then was offering to pay, or approximately 2½%.

Later, the caucus relented and it gave the government a free hand to negotiate with the bondholders, on the understanding that it would report back to the caucus. This was followed by the opening of the fateful 1941 parleys between a joint committee from the province and the bondholders.

Unless there is some major move that would change plans, there may be a provincial general election within the next 18 months. The term of the present house expires in March, 1945.

It is claimed in some quarters that there will be a "big push" from the government side to bring about the adoption of a refunding scheme not later than next year. This then would be one of the major platform appeals that the administration would make for a renewal of confidence at the hands of the electorate.

# Think Politics Brought End 2-Pant Suit Ban

(Continued from page 1)

has prevented production of any of the finer suiting materials.

Estimate of the Cook Clothing Co., Toronto, contained in a letter to the trade, is that:

"Fabrics for men's fine clothing produced in Canadian mills will not be evident in the shops of Canada at least until early spring, 1944, or fall of the coming year. It is true that the military requirements have been curtailed, but this will only reflect itself in those cloths that are made in Canadian mills and primarily in cloths of the work goods and windbreaker type. Had the military requirements not been curtailed, merchants would probably not have received more than 25% of their requirements for such heavy clothing. In so far as imported fabrics are concerned, there is absolutely no improvement in supply and there is every suggestion that there might be a lessened supply for 1944."

Cook Clothing declares that Great Britain has already suspended exports to the United States and to South America, and cannot be expected to increase shipments to Canada in the near future.

### Must Stretch Inventories

Net result is that Canadian clothiers must continue to stretch their limited inventories of suitings for some time to come, must now do it without the assistance of the ban on trouser cuffs and extra pants, which together accounted for 60% of the savings of materials under WPTB regulations. If two-pant suits are provided freely, it will be impossible to make equitable distribution of the available material to men willing to buy suits with one pair of trousers.

That this move was taken as part of the "consumer appeasement" campaign which has been evident since the recent elections and by-elections, is strongly hinted by men connected with the industry.

Says Stylewear:

"Why would administrators—all of whom are associated in some way with retailing and manufacturing of men's clothing, advocate that the order be changed at the beginning of the fall clothing season when ready-made clothing stocks have been completed and delivered to retailers, rather than wait till December, when new lines are being ordered — unless their hands had been forced?"

### Politics Again

The Cook Clothing letter takes a similar attitude:

"Some press dispatches suggest that the lifting of these restrictions, coming exactly on the date when a political caucus was being held in Ottawa, is a political vote catcher. We have no desire to mix our politics with our business and the facts as to the political question should answer or speak for themselves, but we do earnestly ask that as the advice of interested trades was asked on the enactment of these regulations, that they should be equally consulted when they are being lifted."

George S. Hougham, secretary-treasurer of the Canadian Retail Federation, presents a similar viewpoint in a letter to Donald Gordon, WPTB chairman:

"The clothing committee of the Canadian Retail Federation met this afternoon to consider the situation and by unanimous vote requested the writer to immediately enter a protest — not so much at the actual lifting of the restrictions but as to the method chosen and the untimeliness of the announcement.

"They are disturbed, not merely on account of the incident itself, but fear its significance as a precedent for future Board policy in matters of this kind."

HISTORIC "FIRSTS" IN RUBBER

FIRST in America TO SELL CORD TIRES

**A few years before 1910,** electric broughams became a popular means of transportation. These quiet, dignified carriages offered a temporary threat to the superiority of the then noisy automobile.

**It was during this period** of the brougham's popularity that B. F. Goodrich first placed on the American market a tire made from individual cords, each embedded in rubber. Prior to that time tires were being made from square woven fabric. The superiority of this new construction was immediately apparent. Friction inside the tire carcass was reduced—less heat was generated—with the result that the new B. F. Goodrich Silvertown Cord Tire gave greater mileage than ever before.

**This was another historic "first"** in rubber, given to the motoring public by B. F. Goodrich . . . the company that as early as 1895 established the first research laboratories in the rubber industry. The intensive research program that has continued to be a paramount part of this company's activities has since resulted in many other "firsts" that have helped to make rubber serve man better.

**TODAY B. F. Goodrich research** is helping to solve war problems . . . but at the same time it is working to produce new and still better tires for the future. When rubber again becomes available for civilian use—whether it be guayule, natural, reclaimed or any other—B. F. Goodrich research and manufacturing facilities will make the finest tires that can be built from it—tires that will give maximum in comfort, durability and non-skid safety.

**SAFETY FIRSTS . . .** *that make your tires last longer*

*Drive below 40 M.P.H....*

*Check tire inflation weekly...*

*Have your tires inspected regularly.*

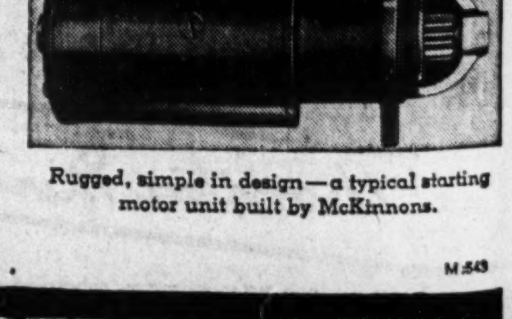
These are firsts in safety for your present tires . . . which very likely must last you for the duration. There is still no prospect of sufficient rubber for ordinary civilian needs. So don't take chances with your present tires.

In war or peace
B.F.Goodrich
FIRST IN RUBBER

A GOOD START..

..on the road to BERLIN!

EAST SIDE—West Side—all around the globe—mechanized equipment is helping to win this war. To give these units a really good start on the way to Berlin most are fitted with Delco-Remy starting motors built by McKinnons. We make them simple in pattern, rugged in construction and dependable in operation because we have the "know-how" that results from a background of specific engineering experience and extensive facilities. ● When the lights go on again throughout the war-torn world we will be among the first to turn the sword into the ploughshare because we were set up for peacetime production. Now, however, reinforced by knowledge gained through war manufacture, we will be in a better position than ever to help Canada and Canadians prepare for the bright future that is our country's destiny.



Rugged, simple in design—a typical starting motor unit built by McKinnons.

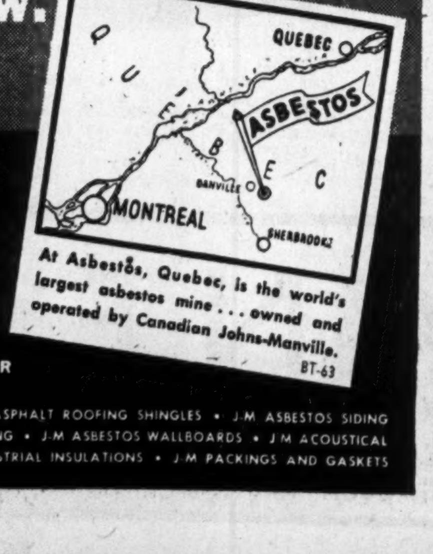
M-543

The McKINNON INDUSTRIES LIMITED
SUBSIDIARY - GENERAL MOTORS CORPORATION
ST. CATHARINES, ONT.
For Over 20 Years Makers of Quality Parts for the Automotive Industry

JOHNS-MANVILLE JM PRODUCTS

More than 1,000 Johns-Manville products are now working for Victory—in war industries—and on the battlefronts of the world.

Improved by research—tested by exacting wartime needs—these many J-M products will render still greater service to the industries, homes and farms of tomorrow.



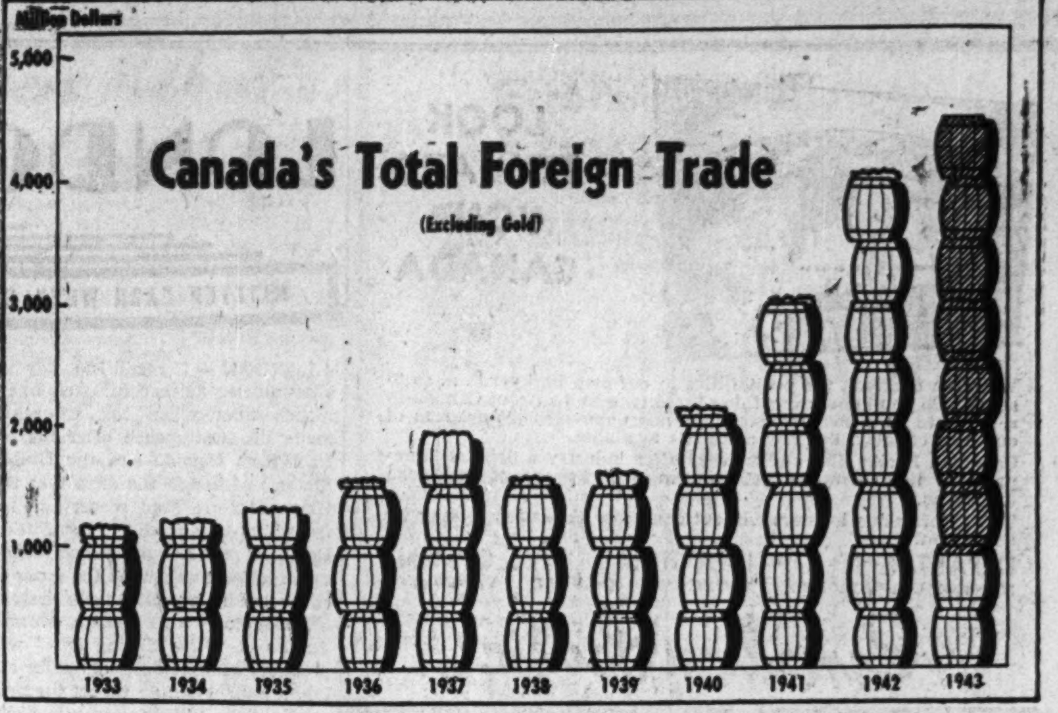
At Asbestos, Quebec, is the world's largest asbestos mine . . . owned and operated by Canadian Johns-Manville.
BT-63

CANADIAN
JOHNS-MANVILLE
CO., LIMITED
Mine and Factory at Asbestos, Que.
MONTREAL TORONTO WINNIPEG VANCOUVER

J-M BUILT-UP ROOFS • J-M ROCK WOOL INSULATION • J-M ASBESTOS AND ASPHALT ROOFING SHINGLES • J-M ASBESTOS SIDING SHINGLES • J-M CORRUGATED AND FLAT TRANSITE • J-M ASPHALT TILE FLOORING • J-M ASBESTOS WALLBOARDS • J-M ACOUSTICAL ENGINEERING SERVICE AND MATERIALS • J-M INSULATING BOARD • J-M INDUSTRIAL INSULATIONS • J-M PACKINGS AND GASKETS

THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, October 9, 1943



A feature of the tremendcus growth of Canada's foreign trade is that this year 80% (shaded in chart) is war goods, carried by ship around the world.

# Immediate, Realistic Approach Said Postwar Foreign Trade Need

## Primary Requirement Is for Co-ordination of Our Prewar Commercial Intelligence Service and External Affairs Department — Indecision, Lack of Policy Is Charged

By KENNETH R. WILSON

Canada is now the third largest trading nation in the world—surpassed only by Britain and the United States.

This is something for pride. It is also something for sober reflection—something to remind us that 80% of the $4.5 billions of overseas trade which we will transact this year is due to war emergency; that within a now measurable span of time, Canada will be faced with the problem of finding a market for several billion dollars worth of foodstuffs, merchandise, raw materials, which we hope to continue producing from our farms, factories and primary industries and which we cannot consume at home.

Already we know that British and U. S. trade emissaries are laying directly and indirectly the groundwork for intensive restoration of postwar trade.

Take for example this one fact: Britain has no less than 39 active consular offices in the United States (outside Washington) of which six are full consulates-general; 12 are consulates, and 11 are vice-consulates. Most of these are doing a full-time goodwill or trade development job.

Yet Canada has now in the entire United States only one consulate-general (at New York) and two trade commissioner offices—one at Chicago and one at Los Angeles.

**Capitalizing Lend-Lease**

Or again, it is not secret that the United States is making important trade capital out of her world-wide lend-lease operations. It is no criticism to observe that the American flag, stamped on all lend-lease materials and equipment, is moving into every corner of the earth; is giving to all sorts of people a "taste" for American food and merchandise and that the groundwork for extensive postwar trade development and connections are here being laid.

True, Canada has within the past few weeks introduced a maple leaf insignia of her own for Mutual Aid and export use, but those most intimately in touch with the present and the pre-war pattern of trade feel there are a number of urgent and vitally important steps which this country can and should take without delay if it is not to be left at the post in the race for postwar markets.

The first of these is to formulate a clear-cut policy leading toward solution of our present lack of co-ordination between the pre-war Commercial Intelligence Service and the Department of External Affairs.

**Restore Commercial Intelligence**

Only last week the Montreal Board of Trade forwarded to Ottawa a strongly worded resolution urging "immediate steps be taken to restore the Commercial Intelligence Branch to as near its former strength as possible" and for "expansion of the work of the branch so that it will be equipped for intensive preparation and training of personnel to function in all parts of the world when opportunities arise."

The unfortunate fact is that Canada's far-famed trade commissioner service is dying on its feet, in the words of one member. There are still brilliant and aggressive individual commissioners on service or in temporary war jobs, but the heart and core of the service is but a shadow of its former self; is quite inadequate to meet tomorrow's needs. The chance of its being restored to its former high status in face of new developments in the diplomatic field and the absorption of senior personnel into consular and diplomatic posts is slim. This is a fact which few exporters in Canada have realized but which is clearly realized by many trade commissioners themselves.

This is one side of the story—recognition that the service has been pared down to a shadow of its former aggressive self, and that without a vigorous, trained and expansive organization ready to step into action once victory is assured, the resulting effect on the Canadian economy may be very serious.

The other side of the picture (not even mentioned in the Board of Trade brief) is the fact that since 1939 an entirely new factor has entered Canada's external trade picture—the growth of the Department of External Affairs, with its extension into a score of countries throughout the world and its absorption of some of the brightest and ablest of Canada's former trade commissioners.

Dana Wilgress — admittedly without a peer in his knowledge of the intimate detail and practical knowledge of trade treaties —has been "borrowed" by External Affairs from Trade and Commerce and is now Minister to Russia. Already Mr. Wilgress's knowledge and competence are being sorely missed at Ottawa and this condition is inevitably increasing with every day that passes.

Also the fact that no permanent deputy has been appointed in his stead is a considerable handicap. Acting Deputy Minister Oliver Masters is merely pinch-hitting for Mr. Wilgress during his supposedly "temporary" absence. This leaves Mr. Masters in the impossible position of not being able to settle on a longer-term clear-cut, aggressive policy at a time when the department should be definitely on the forward march.

**Inter-departmental Co-operation**

When questions were raised in the House a few months ago as to the ultimate fate of the Commercial Intelligence Service and the new consular and diplomatic offices which are being opened or planned by the Department of External Affairs, Mr. King gave assurance that some satisfactory plan of co-operation between the two departments would be worked out. Despite that assurance, the plain fact is that nothing has yet been done to decide what the immediate and the postwar responsibility of each department will be and how soon (if at all) Canada is going to move in what most observers believe to be the inevitable direction of merging these trade and diplomatic services under one authority.

Both U. S. and Great Britain (our two chief trade competitors) have moved to merge their trade consular and diplomatic offices under the one centralized diplomatic authority. In the U. S. another, equally important step has been taken within the past few weeks, namely the formal linking of all economic agencies dealing with foreign relationships under Leo Crowley in the Department of State. Some years ago the U. S. merged its equivalent to our Commercial Intelligence Service into joint consular and diplomatic offices; has never regretted the step.

**U. S. Representation**

The sort of stalemate which is developing in Canada is indicated by our representation (or lack of it) in the U. S. Before the war we had branches of the Commercial Intelligence Service at New York, Chicago and Los Angeles. Now the Department of External Affairs has stepped into the picture and appointed a consul-general (Hugh Scully) at New York, who is senior to, but works in harmony with, Trade Commissioner Douglas Cole.

Nevertheless the larger question of additional representation in the U. S. is apparently hanging fire. External Affairs has indicated its desire to appoint more consuls-general but is holding back through lack of staff. Meanwhile our trade commissioner appointments are standing still and Great Britain, through its extensive and very active consular service in all parts of the United States, is running rings around us. It is argued at Ottawa that in an amalgamated service, our Trade Commissioners would be given at least consular appointments, which would give them prestige and status and enable them to do their job of selling Canadian goods better than ever before.

**Questions Asked**

The sort of questions being asked, and for which no one as yet has given a satisfactory answer are: Do we plan and is it possible to operate a top-notch postwar Commercial Intelligence Service after the war and if so, how is such a service to tie in with the score or more of diplomatic offices which will have to be opened and which will have control of major decisions of foreign trade and external relations policy?

Those who argue in favor of amalgamation of the Commercial Intelligence Service with Department of External Affairs (which is in effect what U. S. has done and what Britain is now doing) claim Canada can never go back to the old pre-war days when Trade Commissioners, usually the sole representatives of the country, were accorded special status and privileges. Within a very short time, Canada will have diplomatic representation in all the chief countries of the world and it will be through these offices that the main channels of discussions of trade policy will centre.

It is argued that amalgamation would help the Trade Commissioners to do a better job; that there is no desire to reduce or minimize the importance of their trade work but rather to strengthen it by giving it the prestige of consular association. Another significant fact is that many Trade Commissioners think amalgamation would help them to sell Canadian goods.

**Tariff Adviser Loaned**

Another thing which worries some Ottawa experts is the fact that by loaning Hector McKinnon to the WPTB subsidiary, Commodity Prices Stabilization Corp., the country has temporarily lost the services of its ablest and most capable tariff adviser.

Mr. McKinnon's peacetime job is Chairman of the Tariff Board. Admittedly he has been for the past four years seconded to vitally important war work, and within recent months accompanied Dr. W. A. Mackintosh on an exploratory trade policy visit to Britain. Nevertheless there is now felt to be increasing and very real need for having this acknowledged tariff and trade authority take up the work of tariff study and preparation on a full-time basis. This is especially true as industrialists both individually and collectively are now seeking light and counsel as to what is to happen to their plant and payroll under conditions of victory which, even though delayed perhaps a year or two, are nevertheless definitely assured and may conceivably come comparatively soon.

**Preparatory Steps**

Admittedly, important and very necessary steps of a preparatory nature are now being taken in the realm of broad international policy to help ensure that the postwar world will be the kind of world in which goods and resources may be exchanged with reasonable freedom. In these discussions Canada is taking a major and a constructive role.

First is the attempt to establish some form of international clearing union for currency stabilization. These discussions are now on the "expert" level and centre around three plans put forward by experts in Britain, United States and Canada.

Behind these discussions is a principle which concerns Canada more than any other nation in the world: namely that there can be little hope for stable or prosperous postwar trade unless that trade can be conducted on a multilaterial as opposed to a bilateral basis. (Multilateral means of course trade between many countries, while bilateral means simply trade between two nations directly.)

**Bilateral Trade Threat**

Bilateral trade would put our world commerce into compartments and require us to settle each account (whether in francs, sterling, krone or U. S. dollars) individually. If this had to be done it would reduce world trade to little better than barter, with disastrous consequences to a country like Canada, which normally has large unsettled balances with individual nations. For example, we usually sell more goods to Britain than we buy from her and buy more from the U. S. than we sell.

Thus Canada has a tremendously important stake in some simple, working international mechanism for permitting countries to "clear" their foreign trade balances one with another and providing short term credit facilities so that these accounts can be handled much the same as day-to-day banking transactions between merchants in the same town are handled.

**Postwar Tariffs**

That brings up the next problem: namely, that in the field of tariff and trade policy (as apart from monetary policy) there have been as yet no concrete proposals (even at the "expert" level) for blueprinting postwar policy.

In regard to currency or monetary matters the experts are at least working on specific plans looking toward a solution, and Canada has made a definite contribution to those plans. In regard to the next step of removing tariff and other obstacles to freer postwar trade there has been as yet nothing but generalities and vaguely expressed hopes as to what should be done. For instance: there is (on paper) a Joint Economic Canada-U. S. Committee which includes many able officials from both countries. For months now it has been doing nothing whatever!

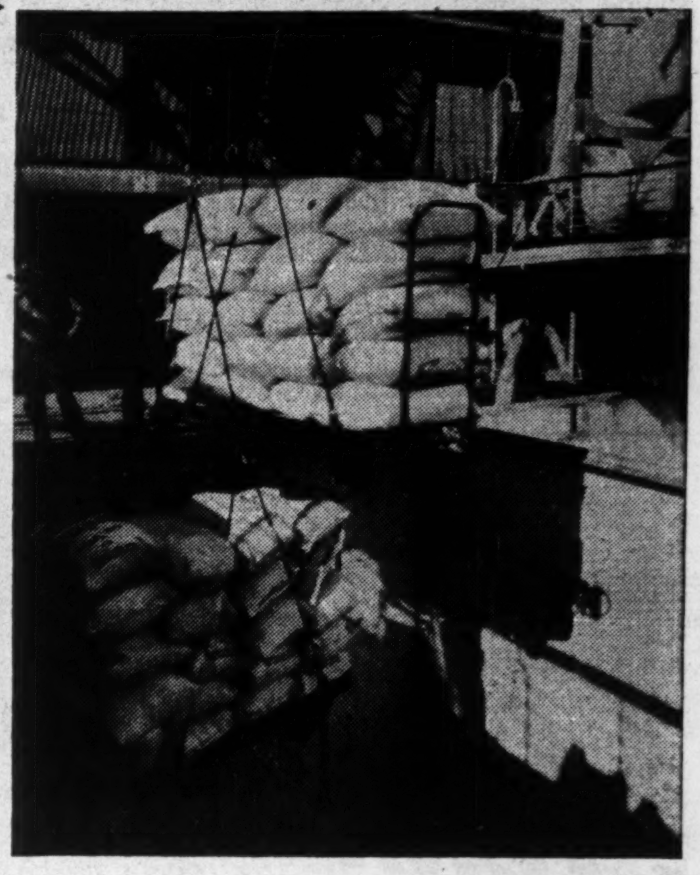
Rather like the weather, everyone complains about trade barriers but very little is done to remove them — largely because the minute generalities and hopes for freer trade between nations are reduced to practical detail and actuality, difficulties as big as a house and often much more immovable, appear.

Take one very simple example: wheat.

**The Wheat Problem**

As between Canada and the United States, more progress has been made in the realm of political and economic understanding than between any two nations in the world. This has been doubly true during the war, and the list of co-operative boards and joint committees which have been set up and are now actively functioning is as impressive as the concrete results that have been achieved toward closer, more sensible relations.

Yet, despite a special wheat agreement which the two nations signed last year and despite the fact that Canada has a 400-million bushel surplus on last year's crop alone, it has not yet reduced the wheat tariff between the two countries below 42 cents a bushel, nor has the existence of this huge supply of Canadian wheat prevented the U. S. from asking its farmers to seed an additional 16 million acres to wheat in the hope of raising an extra 250 million bushels.



True, there are said to be practical difficulties such as lack of transportation facilities, etc., in moving this wheat across the border. But the inability to move wheat freely between Canada and the U. S. is typical of practical tariff and trade obstacles in every country and almost every community.

It is easy for statesmen to talk glibly about freer world trade. But it is hard to bring those discussions into concrete form and hammer out even bilaterally (let alone on a multilateral basis) agreements which will meet a thousand or more "special" or "vested" interests and at the same time achieve or restore some measure of international trade freedom.

The British Commonwealth ar-

(Continued on page 13)

**The world's third largest trading nation with total foreign trade estimated in 1943 at $4.5 billions, Canada faces a serious situation when wartime demands cease as 80% of this year's foreign trade is directly attributed to the war. To maintain the producers of domestic goods exported to our Allies and to be able to pay for our imports demands the most energetic and effective efforts.**

**In organizing for foreign trade after the war Canada is handicapped by the present situation in our Commercial Intelligence Service. At the same time our External Affairs Department is growing. To work out some union or effective working agreements between these two departments is seen as a prime requirement for postwar trade prosperity.**

Fifth Victory Loan

Be Ready to Subscribe
Oct. 18—Nov. 6

# Don't Expect Too Much Too Soon

## Axis-Scarred Lands Will Need Everything America Can Send

WASHINGTON.—Americans who think that when the war in Europe is over there will be a plentiful supply of consumer goods are going to have another think coming. War Production Board officials here believe that consumer goods—food, textiles, leather, heating equipment, etc.—will be more curtailed than ever when Germany is beaten. To avoid chaos and forestall anarchy in countries left destitute by the retreating invader these goods will have to be supplied rapidly and in vast quantity. And that is going to be North America's first job of world rehabilitation.

While there is realization of an urgent need for fulfilment of certain civilian requirements now, production quirks are dimming recent hopes. To mention but one example, electric refrigerators. Wartime housing schemes, particularly in more isolated sections, are handicapped by lack of refrigeration. That affects food, milk for babies, family morale. Steel can be secured for the construction of priority refrigerators, but electric cooling requires small motors. So do certain types of aircraft, ships, other fighting equipment. Production of the latter cannot be held up. There aren't enough small motors to do both jobs. Until that bottleneck is cleared away, there will be no increased supply of refrigerators.

**Pulp No. 1 Ingredient.**

Another headache is pulp and lumber. With a shortage of 60,000 workers in the U.S. woods, scarcity of these products is getting worse. Officials describe the outlook as "gloomy." And in the matter of consumer requirements, pulp plays a much overlooked part. It is the No. 1 ingredient in containers. You cannot ship and distribute food, glassware and a score of other things without containers.

Foodstuffs themselves are not going to be easier to get, say officials of the Civilian Requirement Division of WPB. Manpower troubles supply the reason. And as for textiles, leathers and similar commodities, they just cannot make fit the fact that in the face of known and continuing shortages departmental store sales are going up and up. They say there is no black market; that the thing doesn't make sense.

Because of these things lights burn far into the night in the offices of Washington's Civilian Requirement Board. They burn longer in the branches of WPB which are engaged in production of war supplies.

"Win the war first. Next, head off the makings of another war. Then we can see about filling civilian needs." That is the policy.

Despite manpower trouble, the experts believe that essential war production is "out of the woods." They ask you to disregard schedules in some cases; go on the basis that switches to more essential items, incorporation of ideas learned in combat, improvements on equipment have increased the war value of the production achieved. The over-all picture, they say, is good. For the first time the armed forces on land and sea have all the equipment they need. And the air program is being rapidly stepped up to meet new needs. Training plane production can be sharply cut; production of heavy bombers sharply increased. The tank situation permits of some easing off in that direction. Demand for heavy trucks will mean considerable increase there. Construction of merchant shipping will bear heavily on Victory ships which are faster than the Liberty vessel.

**Materials Graph.**

Generally speaking the graph of materials is as follows:

The alloy steel situation is good.

Carbon steel will be tight so far as plate is concerned until the first quarter of 1944.

Basic stockpile of copper is better. Copper shapes present difficulties due to labor.

The aluminum stockpile is growing. Over supply of secondary aluminum.

Synthetic rubber is in good shape. Serious problems in fabrication.

In the field of new shortages, pulp and lumber rank as high problems.

Textiles and leather are tight.

With the first easement after war requirements have been taken care of, materials will be released for railway needs, for repair and replacement in the utility fields, for the mining industry.

Simultaneously Mrs. Wicks may get a new flat iron with which to do her own laundry.

# Hog Output in Danger?

## Western Stockmen Balk at Higher Feed Costs

Special Correspondence

OTTAWA.—Members of the Bacon Board and officials of the Department of Agriculture are receiving disturbing reports as to danger of a considerable decrease in hog production in western Canada. The general tenor of these reports is that owing to extra payments recently announced on oats and barley and higher prices now to be paid for wheat, many western farmers are planning to cut down on livestock operations.

From various sources advice is being offered to the Government that the only way to insure that Canada is able to keep commitments already made to Great Britain is to offer greater inducements for hog production.

One plan suggested is to guarantee the present basis of hog prices for a period of two years. Up to the present that has been considered impracticable, owing to reluctance on the part of British Government officials to commit Great Britain for more than a year at a time as to quantities of bacon that can be taken, and the appropriate price basis.

It is now being argued that it is unnecessary to await concurrence of British officials who cannot be expected within a short time to understand the various factors in the Canadian livestock situation. If, as is supposed to be the case, cost of bacon going to Great Britain is charged up to the Mutual Aid Plan, it really does not matter to Great Britain at what price the bacon is charged, the important thing being to see that bacon is produced and shipped. It is further argued that it does not matter whether or not the authorities overseas are in a position to say now just how much bacon they can use to advantage. Canada can be sure that a lot is going to be needed.

The other suggestion, and one considered probable in circles well informed on livestock matters, is for a general increase in the price paid by packing plants, probably in the form of an extra payment per hundred pounds, made on government account by packers when they buy their supplies.

Some livestock authorities in the West have declared that action is necessary if there is to be avoided a liquidation of breeding stock this fall. They admit that if labor were plentiful, a skilful feeder, and a reasonably fortunate one, could still count on making something more out of feeding grain to hogs than out of selling it. But some livestock feeders have less skill than others, some have had worse luck, and some are less well equipped. Also important, of the very large number of farmers who have been raising hogs, a large number definitely do not like the task, and undertake it only when they feel they cannot afford to do otherwise.

At first it was thought that along with an increase in the price of hogs there might go a lifting of the ceiling on coarse grain prices, by ten cents a bushel on oats, and by 15 cents a bushel on barley. That would be instead of the extra payments of these amounts, recently announced, which western farmers are now receiving on coarse grains which they sell. It would make for simpler administration, would do away with the need for policing sales of feed grains made out of country elevators, to prevent the same grain being sold more than once for the sake of earning the extra payments.

It would also make it possible for feed grain to be sold from one farm to another, instead of forcing extra hauling and handling, to and from elevators, on feed grain which is to be bought in western Canada.

Such a plan would tend to deprive the feeder in eastern Canada of the benefits of a price increase on hogs, by making him pay more for his feed. To some experts, that is not objectionable, on the ground that it is in western Canada where the increase in hog prices is necessary to sustain production, and that in eastern Canada, where farmers are already subsidized with respect to the freight cost on feed grain, it might be sufficient to leave things as they are.

LOOK TOWARD YOUR CANADA

We often overlook the possibilities in our own backyard . . . so to speak. Do you know everything there is to know about Canada in relation to your own industry, the vast undeveloped resources of our own country, the raw materials available.

Canadian Pacific files and surveys offer industry a detailed blueprint of the Country's potential in every phase of industrial expansion.

This information is yours without charge or obligation — may we serve you?

DEPARTMENT OF INDUSTRIAL DEVELOPMENT
MONTREAL TORONTO WINNIPEG CALGARY VANCOUVER

Canadian Pacific

Exclusive quality—
"EXPORT"
CIGARETTES
—popular price.

75th ANNIVERSARY
Penmans
KNITTED PRODUCTS
UNDERWEAR • HOSIERY • OUTERWEAR
WARRANTED HIGH GRADE PENMANS KNIT-GOODS
P.M.10-43

BUSINESS enriches the NATION and YOU

Business Stands For Social Progress

PROBABLY the least static factor in this nation's economy is private enterprise. Its own development is so completely bound up with that of the people at large, that social progress is one of the first essentials of business survival.

Accordingly we find private enterprise, with the hearty consent of its thousands of Canadian shareholders, devoting more and more of its attention to such vital matters as employee welfare and product improvement. The first is building up the general health and economic security of Canada's great body of industrial and business workers. The second, subject to the temporary drag of war, is opening up new avenues of comfort and enjoyment for the whole population.

Even in the midst of complex wartime problems, industry and commerce are planning intensively to provide the people's greatest protection in peace—ample employment at adequate wages, with the production of plenty for all.

8D-43

THE BANK OF TORONTO
Incorporated 1855
B. S. Vanstone, General Manager

# LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—I recall no day at Westminster more contrasted in its moods than when Mr. Churchill made his first speech after his return from Canada and the United States. Although the days that the House sits are kept secret and referred to only as the "First Sitting Day," etc., the London crowd turned up in large numbers at the gates to cheer the Prime Minister's arrival.

Incidentally this foolish Mumbo Jumbo of "First Sitting Day" will probably soon be dropped. After all, the newspapers duly report the proceedings the following morning and even the German intelligence must have grasped by this time what days of the week Parliament assembles.

There was an immense crowd in the Chamber when the hour of questions began. Churchill was not due to speak until 12 noon but none of the lucky card holders were taking any chances of being shut out. Mrs. Churchill was in her usual place in the gallery, looking refreshed after her tour.

All the Ambassadors were there, of course, although we missed the familiar face of M. Maisky. Lady Newall, wife of the Governor-General of New Zealand, was sitting near Mrs. Denys Reitz, wife of the South African High Commissioner. She herself was a member of the South African Legislature until she resigned to come to London. It was her first visit to the British House and she must have received some startling impressions.

The Peers crowded into their gallery like office workers in a 6 p.m. omnibus. The Peers know that theirs is the Upper House, but they realize that it is in the Commons that things happen.

First shock came when the Speaker rose to announce the death of Sir Kingsley Wood, Chancellor of the Exchequer. The blithe little Minister of Finance had been at a Cabinet meeting the night before and was in his usual exuberant spirits. At 10 o'clock that morning he phoned his secretary that he had a chill and would not come to the House. Twenty minutes later he was dead.

Sir Kingsley had a deceptive personality. He was small, cherubic, and had a high pitched voice. He never played the part of the weary Titan nor pretended that the weight of office was crushing him. Yet he was the best Postmaster General we ever had and had proved a remarkably successful wartime Chancellor of the Exchequer. He had held continuous office since 1924 (except for the brief interlude of the second Socialist administration).

The sympathy of the House went out to his widow but especially to Sir Kingsley's Parliamentary Private Secretary, Sir Edward Campbell, M.P. For 13 years Sir Edward had served his little master, unpaid and unpraised. He looked like a lost soul as the Speaker announced the sad news.

* * *

### Question Time

In a war, however, neither Parliament nor the nation can stop the hands of the clock to mourn the passing of one man's life. Question time began with all its fire and fun and soon the House was roaring with laughter when a Minister or a private member scored with a sly thrust. Only when question number 31 came along "addressed to the Chancellor of the Exchequer" was there a sudden hush. Would the Financial Secretary answer for his dead chief? Tactfully the Speaker proposed that the questions to the Chancellor should be postponed.

At 12 precisely Winston appeared, just as everyone was becoming rather anxious. Rules of the House are adamant and questions must end as the clock strikes twelve. If the Prime Minister were late some opportunist might do anything. In other words, he could move the adjournment of the House and then start speaking on his favorite subject.

Churchill was given a warm reception, but the difficulties and disappointments of the Italian situation prevented the reception developing into an ovation.

When Churchill began he gave the impression of having come back from a prolonged holiday in the lakes or mountains of Canada. His voice was resonant, his face calm and his gestures restrained. At the beginning of his speech he made an unusual proposal. Since, he said, the speech would be a long one he suggested that after an hour or hour and a half of it, the House might adjourn for a modicum of refreshment and then resume. This was heartily welcomed by those who take their luncheons seriously, but the legitimates wagged their heads and hoped this would not become a precedent. The old Mother of Parliaments has never knocked off for meals and it did not seem quite right that she should start changing her habits at such an advanced age.

Churchill, however, had his way—as usual. Result was that neither he nor his audience was unduly fatigued, and since the House sat for an hour longer in the evening the nation was not robbed of its customary measure of oratorical fare.

It was a heartening story that Churchill told but he did not escape the sniper altogether. Aneurin Bevan, once a boy in the coal mines, has constituted himself almost a one-man opposition and he drove the Prime Minister to angry retort more than once with his interjections.

But it was not only in the debate that the day produced its sharply contrasted lights and shadows. A new Tory M.P., Mr. David Eccles, took his seat. One of the sponsors who marched beside him to the Speaker's table was Mrs. Cazalet Keir, M.P. It was her brother Victor Cazalet who was killed in the Sikorsky plane disaster and David Eccles had succeeded him for the constituency of Chippenham. It was brave of her to be one of the sponsors for only those who intimately knew Victor and his sister, Thelma, were aware of the deep affection and friendship that existed between them.

* * *

### Herbert Returns

Another stir was caused by the return to the House of A. P. Herbert, the humorist - reformer - politician, and Sir Derek Gunston, who had gone to enquire into the health and future of Newfoundland. Herbert and Gunston had come back by destroyer. In fact their ship had escorted the warship in which Churchill was travelling.

According to both Herbert and Gunston the Newfoundlanders are a grand lot of people, but neither of them seemed to be sure whether or not the Newfoundlanders wanted to be given back Dominion status. The British Parliament does not like to see so brave a people robbed of the dignity which is their right. Sir Derek has prepared a tidy little memorandum on the subject running into 25,000 words. Herbert who is a professional author (and assistant editor of Punch) will probably express his views with a greater economy of words.

Still another returning Atlantic pilgrim was "Bill" Mabane, the Deputy Minister of Food, who has been visiting Canada. He assured me that Canadians were the salt of the earth. This from a Food Minister is indeed a compliment.

Mabane spoke most warmly of the kindness of Jack McConnell of Montreal and Floyd Chalmers of Toronto. He will be a good friend to Canadians in the counsels of the Government and especially of the Food Ministry.

* * *

### The Gambling Instinct

In the midst of the nation's and Parliament's obsession with war, the last of the season's classic races was run. Racing has been cut down to almost nothing but, because of the value of Bloodstock breeding, a certain amount goes on. The "classics" are retained although run at Newmarket instead of at their usual venues.

A terrific amount of money was wagered on the result for the Englishman dearly loves a gamble. And surely there never was a gamer or more unfortunate filly than poor little Ribbon. Early in the season she had the 1,000 guineas (open only to fillies) practically won when she was just pipped on the post. A few weeks later she was clearly winning the Oaks (the female counterpart to the Derby) when another filly just got her nose in front. In the St. Leger poor little Ribbon was just going into the straight. Lord Derby's "Herringbone" was last. But somehow Herringbone came with a long run and miraculously beat Ribbon by six inches. Second in all three classics! That's pretty tough even in the midst of a war.

As for the BBC commentator who described the race on the radio, he said he was going to resign. "What will the public think of me," he said, "when a horse that I have never mentioned during the entire race has to be announced as the winner?"

## Steamship Firms Seek Air Rights

From Our Own Correspondent

MONTREAL. — North Atlantic steamship companies are rapidly putting themselves into shape to participate in the anticipated transatlantic air transport boom after the war.

Following the examples set by Canadian Pacific Steamships, Cunard Steamship Co. has amended its company articles of incorporation to permit operation of air transport service. Cunard White Star, a subsidiary, has already been granted shareholder permission to engage in air service. Furness Withy has called a meeting to secure similar powers.

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ON TO VICTORY

..and then What?

Victory for our forces? Certainly, but when would you have victory? Are you one of those who have been discounting victory like a declared dividend? Every added day of war costs many Canadian lives and millions of Canadian dollars. Now is the time that YOU can cut off extra days of war... save those lives, those dollars.

As a man of influence and leadership, your attitude and your actions in the common war effort go far to determine the power of Canada's total effort. The saving of lives and money . . . YOUR MONEY... depends on how you support or fail to support the next Victory Loan.

What a successful Victory Loan will mean to you

Your personal investment in Victory Bonds will build for you *a liquid financial reserve.* Victory Bonds will assure you of postwar buying power for goods and services that are not obtainable now. They will help to shorten the war and reduce your future taxes. They will help to save lives . . . maybe the lives of your relatives or friends. Victory Bonds help to prevent inflation and consequent shrinking of your true financial reserves.

Victory Bonds in general will create a pool of buying power that will assure a ready market for your postwar peacetime products. That market will assure employment and, therefore, the continuation of buying power and the preservation of your market.

The best investment that any Canadian can make today is an investment in early victory.

Get ready now to do your part, to influence your company to do its part, and organize your employees to do their part—all they can do for the Fifth Victory Loan.

Get Ready to Buy VICTORY BONDS
5-36
NATIONAL WAR FINANCE COMMITTEE

*Investing For Tomorrow* Article No. 14.

# Dofasco Versus Unemployment

## *Success of Present Plans Would Smooth Operations*

By **BRUCE MacKINNON**

The curse and blessing of the steel industry is that steel is a very durable material. It's a blessing, because the world would have very little use for steel if it were not durable. But it is also something of a curse because its very durability permits the consumers of steel to postpone replacement buying for indefinitely long periods. And during those buying holidays, the steel industry virtually closes down. It has come to be known as a feast and famine industry.

To get out of that classification is the prime objective of sound management throughout the industry, since periodic slumps involve heavy costs, inefficient utilization of capacity, make inroads on the morale of the workers. Stable operations are of tremendous importance not only to the profits that can be made for steel shareholders, but for the community as a whole, since smoothing the curve of steel production would go a long way toward ending the ravages of the business cycle.

When Dominion Foundries & Steel Co. began operation of its plate mill in 1928, an important step towards more stable operations was achieved. The rolling mill made it possible to utilize the plant's steel-producing capacity to the full, eventually led to increasing that capacity. Moreover, the slabs and plates turned out by the mill could be produced in anticipation of demand, did not always have to await orders from steel processors. Previously, a far larger proportion of the company's production had been of necessity produced to order, consisting almost entirely of special casting and forgings for the railroads, farm implement companies and so forth, all more or less "tailor-made" items whose production could not be undertaken without specific orders.

### Enters Second Phase

Installation of the cold rolling mill making light gauge steel strip for tin plate in 1935 and 1936 marked the second major phase of Dofasco's evolution toward an even production schedule, and like the hot plate mill, was a "first" for the Canadian steel industry.

Dofasco's current operations consist of the production of varying grades of steel (including special alloys for armor plate, gun barrels and bullet-proof plate), using scrap steel as a raw material, electric and open-hearth furnaces for the melting process. Some of this steel goes direct into castings, some of it is cast into ingots for forging (into the rough shape of gun barrels, for example), the remainder goes in ingot form to the rolling mills.

Steel which is to take the final form of plates and armor plate is finished to the desired thickness in the hot rolling mill, which leaves the metal in long, flat plates. But the steel for the cold rolling mill also passes first through the hot mill, which leaves it in a long, rolled-up ribbon, about one eighth of an inch thick. After this ribbon cools, it is passed through the cold rolling mill, where it is pressed and drawn until reduced to as low as 1/100 of an inch in thickness. Subsequently, the strip steel is cleaned, annealed, trimmed and coated with tin by the "hot dip" process.

From an operational viewpoint, the significance of the cold rolling mill is that it has created new work for the hot rolling mill, just as the hot rolling mill made new jobs for the melting furnaces. Thus, if an adequate inventory of hot rolled products were to be accumulated during a slack season, the plant can continue to operate until an adequate inventory of cold rolled products has been accumulated.

But the tin plate mill has done something more than foster "full employment" for other units of the Dofasco enterprise. It produces, among other products, the tin plate for the canning industry, and thus puts the company into the field of producing consumer goods—and consumer goods of a nondurable type. Before the installation of this mill, most of Dofasco's output found its final market in industry, and that part of its production which eventually reached the consumer was largely in durable items such as bridges, railroad cars, locomotives and machinery. In short, almost all of its production was of a type traditionally subject to the "buying holidays" which have always played hob with the steel industry's plans for stabilized production.

That part of Dofasco's output which comes through the tin plate mill as the raw material for cans is not in the durable class, could logically be regarded as a part of Canada's food industry, although there are many other industries which use tinned steel containers.

This partial exit from the conventional "feast and famine" pattern of the steel industry is undoubtedly the most significant development in Dominion Foundries & Steel since 1935. Because its full development was not reached until after war broke out, the change has not been reflected in the company's financial statements. This, of course, does not diminish the importance of the change, nor its secondary influences.

### Considerably More Versatile

One of these secondary effects has been to make Dofasco a considerably more versatile steel producer. Dofasco, for example, was the first producer of armor plate in this country, a direct outgrowth of increased "know-how." The production of tin plate by the cold rolling method requires a far finer degree of control than does the hot rolled product, but results in a correspondingly better product in strength, ductility (workability) and gauge (uniformity).

Superimposed on this basic organization, Dofasco's war work has added invaluable experience in handling alloys and in the treatment and machining of large castings and forgings.

From the standpoint of overall capacity, Dofasco's ability to produce has increased roughly 50% since the outbreak of war, but a large part of this increase has come from quickening existing processes, generally stepping up efficiency through the introduction of more mechanical equipment. The organization has not expanded 50% in size, nor does it require a 50% higher level of operations for efficiency.

Dofasco's relations with its employees have been on a highly satisfactory basis for some years. Since 1938, an employee savings, insurance and profit sharing fund has been in operation. Today, with approximately 3,000 employees on the payroll, the fund holds close to $2 millions invested in Victory Bonds—the property of the company's employees.

A second feature of personnel relationships at Dofasco is to facilitate the airing of employees' grievances before they reach serious proportions. Any employee with a complaint can demand an interview with the personnel manager—and get it promptly. Result is that grievances that might result in serious dissatisfaction are nipped in the bud.

And a third point is the Dofasco wage scale, which has steadily been maintained at a high level, due both to the company's policy and to the fact that a large part of the Dofasco work demands skilled workmen.

That is the picture of Dofasco today—a company which has pioneered both in production technique and in labor relations, with the result that it has laid the foundation for stable, harmonious operations, relatively free from the ups and downs that have characterized the steel industry.

What of tomorrow?

For Dofasco, that question can be broken down into several other questions, for example:

Will tin plate hold its present position?

Will Dofasco be able to maintain its position in the domestic market?

How severe will competition from outside Canada prove?

What competition will there be inside Canada?

### Tin Can Here to Stay?

First, as to tin plate. During the war the shortage of tin and steel has led to increased production of cardboard, fibre, molded plastic and glass food containers. The wartime transition has led to prophecies that the tin can will not survive after the war.

That may be, but it will not take place on the present comparative costs. Although fibre and cardboard containers cost less for raw materials, the process of production is far slower than that of making tin cans. Cans—except for the tops, which are put on at the cannery—are now completed at the rate of 300 per minute, a rate which can makers believe could be increased to 500 with minor improvements in the can-making machine and in tin plate.

Plastic containers now cost more than five times as much as tin for raw materials, and production rate is slower. Glass has a similar disadvantage.

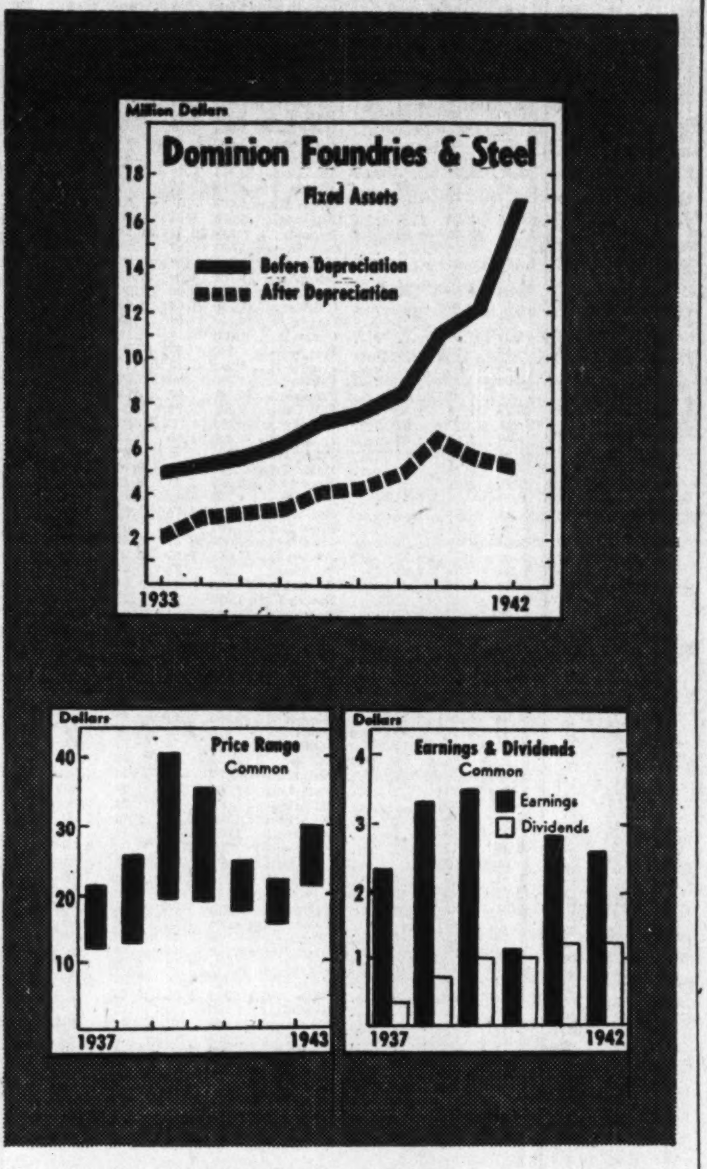

Chart at the top gives an indication of improvement in the physical assets of Dofasco. Fixed assets in the past 10 years have risen from $5.2 millions to $16.9 millions, but depreciation reserves have kept net valuation down to $5.5 millions. Price movements of the stock have been fairly stable for a steel producer, the range since 1939 showing fairly uniform bottoms around $20. Prices are here adjusted for stock splits. Dividend policy has been conservative in relation to earnings, with the result that earned surplus has gradually increased to $3.8 millions.

Net result is that while farsighted steel men are certainly not disposed to dismiss lightly the unquestioned advantages of competing containers for certain purposes, they feel that nothing now on the horizon is likely to displace the use of tin plate.

Tin plate itself is making technological progress. An electrolytic method of applying the tin coating is now in use, reducing the tin requirement approximately 50%. As yet this process is still in an early stage, and is not yet regarded as perfect. But there is strong evidence that the "bugs" may shortly be ironed out, and the introduction of the method at Dofasco is now under consideration.

### Competition at Home and Abroad

Competition from other tin plate producers in or outside of Canada will be perhaps the greatest single factor in Dofasco's postwar development. If the company is left as the undisputed supplier of tin plate for Canada, it is estimated that it could take care of the entire demand (following some capital additions), and in so doing could maintain its present number of employees, and re-employ most of the workers who have left Dofasco for the armed forces. Before the war, Dofasco supplied approximately one third of Canada's average 175,000 tons of tin plate. Trebling of this capacity would presumably mean reduced production of hot rolled plate, since the cold mill would take practically all the hot mill's output.

Such a solution would tend to make Dofasco almost "depression-proof," would allow it to maintain employment with all that that means for the well-being of the community and the company. But it depends on two factors which are beyond the control of the Dofasco management;

a. Canada's policy on international trade.

b. The policy regarding installation of other cold rolling strip mills by other Canadian companies.

Within the limits that the management is able to smooth out operations, the heads of Dofasco have done so. But the final key to the picture is not in their hands.

Although there must perforce be considerable uncertainty as to the ultimate magnitude of Dofasco's operations, it should be pointed out that even if the company is unable to maintain its present size, it is felt that even at a reduced scale, the present dividend could be maintained. Throughout the war period, a conservative dividend policy has been followed, with the result that substantial reserves of working capital have been built up. There has been no funded debt outstanding, and this year the preferred stock is being redeemed, leaving the entire equity to the 365,013 common shares.

On the basis of past earnings, postwar operations should be able to bring earnings of roughly $1 per share as a minimum (basis of 1936 earnings) and close to $3 a share on the basis of 1942 earnings, despite wartime taxes. It seems a reasonable probability to expect Dofasco to continue to earn its present $1.40 dividend by a wide margin throughout the reconstruction period. Reconstruction will bring heavy demands from civilian customers who have been forced to postpone demands; it is expected to boost exports of canned foods, hence production of tin plate, and the Canadian consumption of tin plate is expected to continue the upward trend shown before the war—a 35% increase in the pre-war decade.

Beyond that reconstruction phase, as pointed out earlier, the outlook is dependent on unpredictable outside factors. It should be borne in mind, however, that completely unforeseen developments have repeatedly entered the steel picture and revolutionized its outlook. During the U. S. Civil War, it did not appear possible that markets would be found for the increased iron and steel output. The market developed in the railroad building era. Automobiles created a demand for all the capacity built up in World War I, and the same sort of thing may happen again. If new trends develop, the Dofasco management, which has already carried out some highly important pioneering for Canada's steel industry, may be reasonably expected to continue to keep pace.

**Financial Statistics**

| | Price Range of Common | | Earned per Share (Common) | No. Shares Outstand. (Common) | Divds. Paid (Common) | Net Profit | Surplus | Working Capital |
|---|---|---|---|---|---|---|---|---|
| | High | Low | | | | | | |
| 1942 .... | 22 | 16¼ | $2.66 | 365,013 | $1.25 | $1,041,888 | $3,832,667 | $3,649,889 |
| 1941 .... | 24 | 17 | 2.80 | 365,013 | 1.25 | 1,095,520 | 3,204,045 | 2,748,281 |
| 1940 .... | 36½ | 19 | 1.18 | 354,376 | 1.00 | 501,167 | 2,636,791 | 1,304,211 |
| 1939 .... | *40½ | 19 | ■3.47 | 314,875 | 1.00 | 1,212,633 | 2,572,637 | 2,135,800 |
| 1938 .... | 56 | 25½ | 6.73 | 153,565 | §1.45 | 1,179,023 | 1,761,132 | 1,826,244 |
| 1937 .... | ‡43½ | 24 | 4.72 | 120,653 | §0.75 | 737,991 | 869,939 | 1,040,897 |
| 1936 .... | ▲80 | 32 | 2.49 | 96,000 | .... | 311,320 | 512,944 | 929,704 |
| 1935 .... | 30 | 29¼ | 5.03 | 24,000 | .... | 192,632 | 273,625 | 331,603 |

*After 2 for 1 split of common shares. ‡After 4 for 1 split, before 2 for 1 split. ▲Before 4 for 1 split. ■On basis of shares outstanding after 2 for 1 split. §After 4 for 1 split.

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# *We Have Been Asked...*

**The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.**

## INVESTMENTS

### Ivan-Larder

Recently I purchased 10,000 shares of Ivan-Larder Mines at 23 cents a share after a call from a Toronto firm to my residence here in Nova Scotia which mentioned a new find. Can you tell me what the situation actually is?

Ivan-Larder Mines has not been active since 1938, we are informed, but a program of exploration is stated to be under consideration at the present time.

A new geological report is stated to indicate some potentialities for the northern part of the company's property which is declared not to have been explored previously. Good geological structure but only low gold values was shown in past diamond drilling.

Toronto brokers tell us that Ivan-Larder shares are offered at 15 cents with no bid available. Some financing is reported to have been carried out a few months ago and the company has some funds in its treasury.

### B. C.'s to Victories

I hold some B.C. 5% bonds due April 25, 1954, payable in U.S. and Canadian funds. It has been suggested that I sell them at the current price of approximately 123 and reinvest in Fifth Victory Loan bonds, that would get a higher net yield on my money in the Victory Bonds after allowing for income taxes. Is this correct?

• • •

Yes. Even if you paid no income tax, the Victories would offer you a 3% yield, while the B.C. bonds affords 2.60%. The latter yield ignores the current premium on U.S. funds, but as this can hardly be expected to remain until your B.C. bonds mature, it is doubtful if it should be taken into account in this calculation.

You do not state the rate of tax you pay, but the higher it is, the greater advantage there would be to you in making the exchange. In working out the calculation, you should use the tax rate on the highest part of your income, not the average tax, since any reduction in taxable income will reduce the amount of tax you pay in this highest bracket.

Suppose your tax rate for this purpose is 50%. Your bond income is taxed on the coupon rate of the bonds, not on their yield rate, so that if you are paying a 50% tax, the B.C. bond becomes a 2½% bond instead of its face of 5%. The Victory Bond correspondingly becomes a 1½% bond instead of the face of 3%.

A 2½% bond maturing April 25, 1954, priced at 123 actually yields just under 0.50%. But the Victory Bond (1½% for 15 years and two months at par) yields you 1½%, or more than three times the yield you are now getting from your B.C. bonds.

Actually, by holding on to the bonds which are now at a premium (the B.C. issue) you would gradually eat up the premium in higher coupons, since you would end up with $100 for each $123 you now have, and the private investor cannot write off this loss against the income he receives. In other words, part of the income you are receiving on the B.C. bonds is really capital, yet it comes in in the form of coupons and is taxed as income. By making the switch, you are putting yourself in the position where income alone is taxed.

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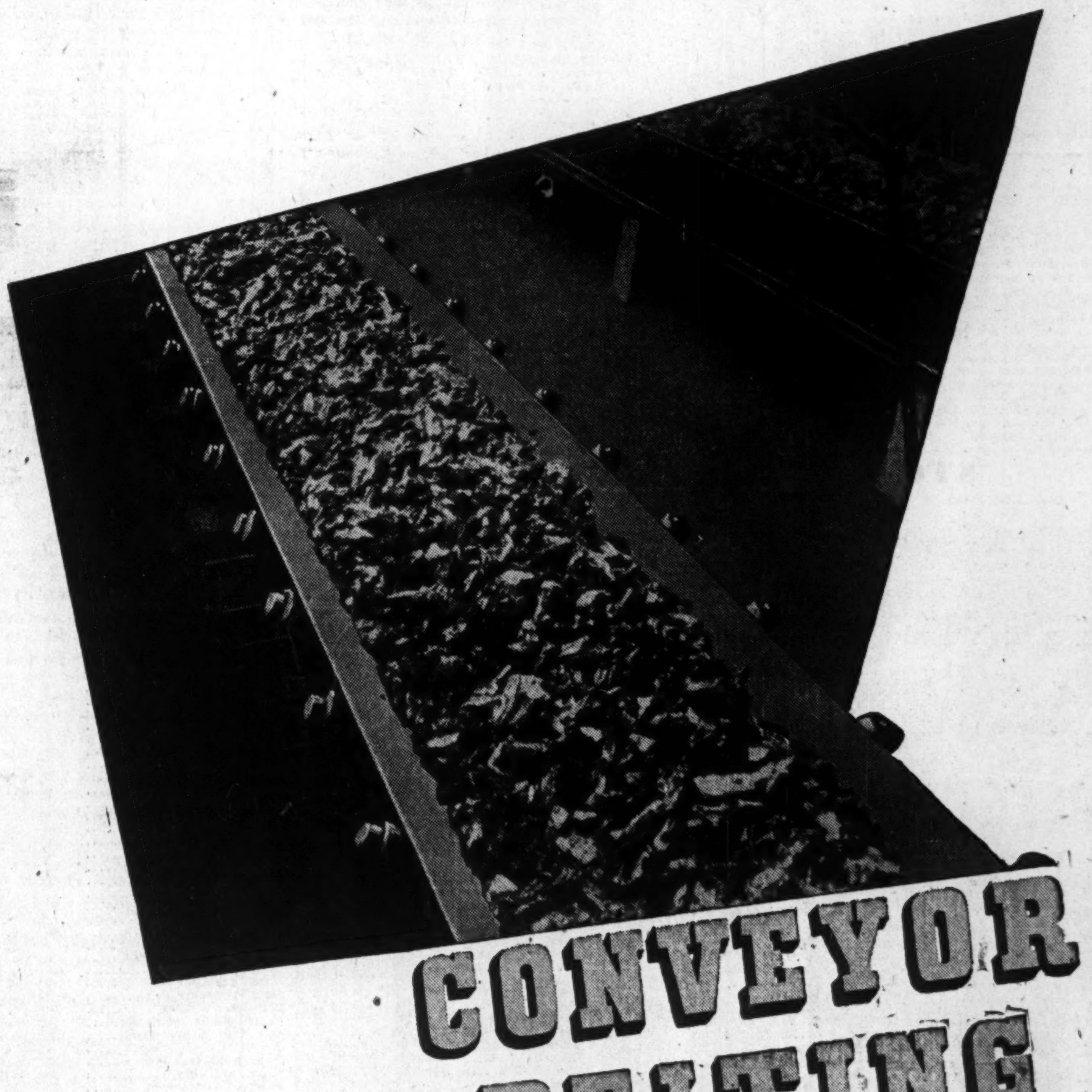

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# THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

## Montreal and Toronto

Week ending Monday close

## Winnipeg and Vancouver

Week ending Saturday close

WEEK ENDING OCTOBER 4

## Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Oct. 5, 1943

| % | Due | Bid | Ask. |
|---|---|---|---|
| 5 | Oct. 1943 | 100 | 101 |
| 2 | June 1944 | 100⅜ | 101¼ |
| 1½ | Sept. 1944 | 100 | 100⅝ |
| 4½ | Oct. 1944 | 103 | 104 |
| 2½ | Nov. 1944 | 101 | 102 |
| 4 | Oct. 1945 | 100 | 100⅞ |
| 2 | Mar. 1945 | 100⅜ | 101¼ |
| 2 | Dec. 1946 | 100 | 100⅞ |
| 4½ | Feb. 1946 | 106¼ | 107 |
| 2½ | Mar. 1948 | 100 | 101 |
| 1½ | May 1946 | 99⅞ | 100⅝ |
| a2½ | Jan. 1948 | 103⅛ | 104⅛ |
| 3½ | June 1949 | 102⅜ | 103⅜ |
| 3½ | Oct. 1949 | 101⅞ | 102⅞ |
| a3 | June 1951 | 102⅜ | 103⅜ |
| 3½ | Nov. 1951 | 103⅛ | 104⅛ |
| 3½ | Feb. 1952 | 104 | 105 |
| 3 | Oct. 1952 | 101⅛ | 102⅛ |
| 4 | Oct. 1952 | 106 | 107 |
| a3 | Jan. 1953 | 104⅜ | 105⅜ |
| 3 | June 1955 | 100 | 101 |
| a3 | Nov. 1956 | 100 | 101 |
| 4½ | Nov. 1956 | 106⅜ | 107⅜ |
| 4½ | Nov. 1957 | 107⅛ | 108⅛ |
| a3 | Mar. 1954 | 101½ | 102½ |
| a3 | Jan. 1958 | 103⅛ | 104⅛ |
| 3 | June 1958 | 99⅞ | 100⅞ |
| 4½ | Nov. 1958 | 108⅛ | 109⅛ |
| 4½ | Nov. 1959 | 109⅛ | 110⅛ |
| a4 | Oct. 1960 | 109 | 110 |
| a3½ | Jan. 1961 | 105⅜ | 106⅜ |
| 3 | June 1966 | 102 | 103 |
| a3e | Jan. 1967 | 102⅜ | 103⅜ |
| a3e | Nov. 1963 | 102⅜ | 103⅜ |
| †3 | Perpetual | 94⅞ | 95⅞ |
| **Dominion Guarant'd Bonds** | | | |
| **Can. Natl. Railways:** | | | |
| 2½ | Jan. 1946 | 100⅜ | 101⅜ |
| 3 | May 1944 | 100⅜ | 101⅜ |
| 3 | Dec. 1950 | 101 | 102 |
| 3 | Jan. 1959 | 99 | 100¼ |
| •4½ | Sept. 1951 | 123⅜ | 125⅜ |
| 4½ | Feb. 1956 | 127 | 129½ |
| •4½ | July 1957 | 128 | 130½ |
| 3 | Feb. 1953 | 100¼ | 101¼ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| 4½ | June 1955 | 128½ | 131 |
| 5 | Feb. 1954 | 117½ | 119 |
| •5e | July 1969 | 118 | 119½ |
| •5e | Oct. 1969 | 128½ | 130 |
| •5e | Feb. 1970 | 128¼ | 130 |
| **Can. Nat. W. Ind. S.S.:** | | | |
| 5 | Mar. 1955 | 130½ | 132 |
| **Grand Trunk Pacific Rly.:** | | | |
| 3 | Jan. 1962 | 110 | 111½ |
| **Provincial Gov't Bonds** | | | |
| **New Brunswick:** | | | |
| 4 | Nov. 1947 | 112 | 116 |
| 3 | Oct. 1951 | 98 | 100 |
| 3½ | Aug. 1949 | 99¼ | 101¼ |
| 3½ | June 1956 | 100 | 102 |
| 4½ | Apr. 1961 | 119 | 123 |
| c5 | Jan. 1960 | 125 | 129 |
| **Nova Scotia:** | | | |
| 3 | Jan. 1952 | 98⅜ | 100⅜ |
| 3½ | June 1956 | 100½ | 102½ |
| 3½ | Nov. 1950 | 102 | 104 |
| c4½ | Sept. 1952 | 117 | 120 |
| c4½ | Nov. 1960 | 124 | 126½ |
| c5 | Mar. 1960 | 130 | 133 |
| **Ontario:** | | | |
| 2½ | May 1945 | 100 | 101½ |
| 3 | Apr. 1948 | 100⅜ | 102¼ |
| 3 | Nov. 1950 | 99⅞ | 101¼ |
| 3½ | Nov. 1951 | 101 | 102½ |
| 3½ | May 1955 | 100⅞ | 102¼ |
| 4 | June 1962 | 121 | 125 |
| 4½ | June 1950 | 108½ | 110 |
| •4½ | Jan. 1962 | 128 | 132 |
| 5 | Oct. 1948 | 109⅞ | 111¼ |
| •5 | Dec. 1960 | 133 | 137 |
| •5½ | July 1946 | 107¼ | 108½ |
| **Ont. Hydro Commission:** | | | |
| 3 | Aug. 1948 | 100⅜ | 102¼ |
| 3½ | Feb. 1953 | 101 | 102¼ |
| 3½ | Apr. 1947 | 103¼ | 104¼ |
| **Prince Edward Island:** | | | |
| 4 | Mar. 1954 | 101 | 103½ |
| **Quebec:** | | | |
| 3 | Nov. 1947 | 100⅞ | 102¼ |
| 3½ | Mar. 1948 | 101 | 102½ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| 3½ | Mar. 1959 | 101 | 102½ |
| 4 | Nov. 1952 | 103⅜ | 105⅛ |
| 3½ | Feb. 1955 | 102⅛ | 104⅛ |
| 4½ | Aug. 1958 | 107 | 109 |
| 4½ | Jan. 1963 | 111½ | 113½ |
| **Alberta:** | | | |
| 4½ | Oct. 1956 | 81½ | 85½ |
| 4 | Dec. 1954 | 79½ | 83½ |
| •5 | Oct. 1959 | 82½ | 86½ |
| c5½ | Apr. 1952 | 83½ | 87½ |
| 6 | Mar. 1947 | 84½ | 88½ |
| **British Columbia:** | | | |
| 4 | Dec. 1957 | 115½ | 118½ |
| •4½ | Jan. 1951 | 118½ | 121½ |
| c4½ | Oct. 1953 | 118½ | 121½ |
| c5 | Apr. 1954 | 121½ | 124½ |
| 5½ | Feb. 1945 | 102 | 105 |
| 6 | Feb. 1947 | 107½ | 110 |
| **Manitoba:** | | | |
| c4 | Dec. 1957 | 109½ | 112½ |
| c4½ | Dec. 1956 | 112½ | 115½ |
| •5 | Dec. 1959 | 118½ | 121½ |
| 5½ | Oct. 1955 | 112 | 115 |
| 6 | Apr. 1947 | 106 | 109 |
| **Saskatchewan:** | | | |
| 4 | Sept. 1954 | 88½ | 92½ |
| 4 | Nov. 1960 | 88 | 91 |
| c4½ | Oct. 1961 | 101½ | 104½ |
| c4½ | Mar. 1960 | 95½ | 99½ |
| 5 | Aug. 1958 | 98 | 101 |
| 5½ | Oct. 1952 | 98½ | 101½ |
| 6 | Mar. 1952 | 99½ | 102½ |

•-Payable Can., N.Y. £. c-Payable Can. & N.Y. a-Payable N.Y. †Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1950 average maturity. ■Callable on or after earliest maturity shown and payable at maturity at 101.

## Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Oct. 5, 1943

| | Bid | Ask. |
|---|---|---|
| ***Industrial:** | | |
| Andian National | 25• | 27 |
| Anglo C. Tel., A | 8½ | 9½ |
| Atlas Steels, c. | 26½ | 28 |
| Do., pref. | 105 | 108 |
| B. C. Pulp, c. | 11½ | 12½ |
| Do., pfd. | 68½ | 73 |
| Barrymore Cl., p. | 46½ | .. |
| B. C. Sugar | 75½ | 78½ |
| B. C. Tel., p. | 114 | .. |
| Brown, com. | 1½ | 2½ |
| Do., 6% pfd. | 35 | 38 |
| Burns & Co., A | 9½ | 10½ |
| Do., B | 5 | 6 |
| Canada Tea, p. | 40 | .. |
| Can. Indust., A | 170 | .. |
| Can. Mach., c. | 8 | 9½ |
| Can. Ing. Rand | 62 | .. |
| Can. Mot. L.A.B. | 8½ | 9½ |
| Cap. W. Cloth | 5 | .. |
| Do., pref. | 18 | 21 |
| Col. Realty | 3½ | .. |
| Chase, A. W., p. | 16½ | .. |
| Colonial Steam. | 65 | 68 |
| Copeland F. un. | 15½ | .. |
| Corr. Box, c. | 3½ | .. |
| Dover Ind. | 7½ | .. |
| Dunlop T., p. $25 | 24½ | .. |
| Fed. Grain | 3½ | 4½ |
| Do., pref. | 82½ | 86½ |
| Galt Brass, c. | 11 | .. |
| Goderich Elec. | 10½ | 11½ |
| Guard. Realty, p. | 18 | 20 |
| Gurney Fdy., p. | 2½ | 2½ |
| Hart Battery | 5½ | .. |
| Hayes Steel, c. | 15½ | 16½ |
| High. Dairy, pf. | 46 | .. |
| Inglis, John | 8½ | 9½ |
| Ingram & Bell, p. | 92½ | .. |
| Kingst. ship., c. | 13 | .. |
| Loblaw Inc., c. | 12 | 13 |
| Minn. & Ont., c. | 9½ | 9½ |
| Mt. Royal Htl., c. | 3½ | .. |

| | Bid | Ask. |
|---|---|---|
| M'row Screw, p. | 100 | .. |
| Do., com. | 14½ | .. |
| Moirs, pfd. | 41½ | .. |
| Morrison Br., un. | .. | 15½ |
| Neilson, Wm. C. | 10½ | .. |
| Do., p. | 101 | .. |
| N. Meth. Ldy., p. | 76½ | .. |
| Quinte Milk | 2½ | .. |
| Prov. Paper, p. | 100½ | 102½ |
| River. Silk, B | 2 | .. |
| Stand. Fuel, p. | 64 | .. |
| Stedman, pf. $50 | 54 | 57½ |
| Sutton Horsley | .. | 1.20 |
| Tor. Carpet, c. | 70 | .. |
| Do., pref. | 72½ | .. |
| Un. Steel, A, pf. | 23½ | 24½ |
| Viceroy Mfg., c. | 15 | .. |
| Do., pref. | 23½ | .. |
| West. Grain, pfd. | 29 | 33 |
| **Trust & Loan Stocks:** | | |
| British Mtge. | 118 | .. |
| Brockville Tr. | 45 | .. |
| Capital Trust | .. | 31 |
| Comm. Fin., c. | 7 | 8 |
| Eastern Tr. | 150 | .. |
| Grey B. Tr. $50 | 45 | .. |
| Guelph & O. $50 | 47½ | .. |
| Indust. Mtge. | 25 | 30 |
| Lambton Loan | 35 | .. |
| Lond. & W. Trust | 37 | .. |
| Midland Loan | 14½ | .. |
| Montreal Tr. | 65 | 75 |
| N. S. Trust | 142 | .. |
| Premier Trust | 36½ | .. |
| Royal Trust | 65 | 75 |
| Sherbrooke Tr. | 120 | .. |
| Sterling Trust | 54 | .. |
| Trusts & Guar. | 37 | .. |
| Victoria Trust | 74 | .. |
| Waterloo Trust | 100 | .. |
| **Insurance Stocks:** | | |
| Brit. Amer. | 51 | .. |

| | Bid | Ask. |
|---|---|---|
| Canadian Fire | 72½ | .. |
| Canada Life | 345 | .. |
| Confed. 30% pd. | 131 | .. |
| Continental L. | .. | 31½ |
| Crown Life | 250 | .. |
| Dominion Fire | 136 | .. |
| D. of Can. Gen. | 132½ | .. |
| Dom. Life | 175 | .. |
| Empire, 25% pd. | 6½ | 7½ |
| Excelsior 40% pd. | 78 | .. |
| Great-West Life | 248½ | .. |
| Halifax Fire | 15½ | 16½ |
| Imperial Life | 250 | 265 |
| Manufac. Life | 240 | .. |
| Monarch Life | 33 | 36 |
| Maritime Life | 20 | .. |
| National Life | 8½ | 10 |
| Sov. L. 50% pd. | 16 | .. |
| Sun Life | 330 | 360 |
| Tor. General | 4½ | 5½ |
| Western Assce. | 45 | 47½ |
| Do., pref. | 40 | .. |
| Western Life | 12 | .. |
| **Investment Trust Shares:** | | |
| Deb. & Sec., pf. | 78 | .. |
| Inv. Found. un. | 43 | .. |
| Sec's. Hold., pf. | 21 | .. |
| Th. Can. Inv. Tr. | 2½ | 3 |
| **Theatre Stocks:** | | |
| Allen's St. Cath. units | 64 | .. |
| Do., Kingston | 66 | .. |
| Do., Toronto, p. | 34½ | .. |
| Mansf. Theat., p. | 62 | .. |
| Para. Kitch., p. | 48 | .. |
| Do., Oshawa, c. | 10 | .. |
| Do., Oshawa, p. | 84 | .. |
| **Power Issues:** | | |
| Can. W. N. Gas | 28½ | .. |
| Do., pfd. | 105 | .. |
| Gt. Lakes Pr., p. | 102½ | .. |
| N. B. Tele. | 11½ | 13½ |

## Unlisted Mines

Toronto, Oct. 5, 1943

| | Bid | Ask. |
|---|---|---|
| Alba River (new) | .10½ | .12 |
| Aljo | .26 | .28 |
| Algo Cop | .25 | .. |
| Amal Kir | .15 | .16½ |
| Amal Lar | .68 | .70 |
| Amicmica | .35 | .39 |
| Ana'que | .13 | .15 |
| Area | .12 | .12½ |
| Arntfield | .01⅞ | .02½ |
| Athona | .03 | .05 |
| Banca | .48 | .51 |
| Bar Lard | .11 | .12 |
| Brengold | .. | .01½ |
| Brock | .10 | .11 |
| Calder Bo | .04 | .05 |
| Cheminis | .13½ | .15 |
| Classic S | .17 | .20 |
| Clift Cons | .10 | .11 |
| Cock R L | .06½ | .07 |
| Coin Lk | .08 | .08½ |
| Columbier | .15 | .18 |
| Cons Chib | .17 | .21 |

| | Bid | Ask. |
|---|---|---|
| Crowshore | .03½ | .04½ |
| Detomac | .26 | .30 |
| De Santis (new) | .06½ | .08½ |
| Dona Pat | .08⅞ | .09½ |
| Eastward | .27 | .24 |
| Electra | .07½ | .08½ |
| Enter Fl | 1.40 | 1.45 |
| Goodrock | .04 | .05 |
| G L Iron | .15 | .18 |
| Gunflint | .19½ | .21 |
| Harp Mal | .06 | .07 |
| Hayes Cad | .04½ | .05 |
| Highridge | .07 | .10 |
| Hoyle n | .13 | .15 |
| Hugh P P | .06½ | .08 |
| Laguerre | .20 | .22 |
| Lk Geneva | .04 | .06 |
| Lar-Add | .07 | .08 |
| Larder U | .19 | .22 |
| Largold | .17 | .20 |
| Magn Con | .25 | .27 |
| Majormic | .10 | .18 |
| Marbenor | .22 | .24 |

| | Bid | Ask. |
|---|---|---|
| Mar Bird | .06 | .06½ |
| Mat Con | .13 | .15 |
| Metalore | .. | .12 |
| Mi-Co-Oil | .16 | .18 |
| Moffatt H (new) | .06½ | .07 |
| Mosher | .13½ | .14½ |
| Moosewoo | .10 | .11 |
| McManus | .04 | .05 |
| McMarma | .11½ | .13 |
| Nat Mal | .30 | .32 |
| Naybob | .03 | .03⅞ |
| New Aug | .40 | .43 |
| Nick Off | 1.25 | 1.35 |
| Norbeau | .40 | .. |
| Norseman | .08½ | .10½ |
| North Tin | .01½ | .02½ |
| Oklend | .05 | .05½ |
| O'L Mala | .05⅞ | .06½ |
| Opemiska | .08 | .09 |
| Orpit | .03⅞ | .04½ |
| Pacific R | .77 | .82 |
| Pascalis | .31 | .34 |
| Pelangio | .09 | .10 |

| | Bid | Ask. |
|---|---|---|
| Pontiac R (old) | .14 | .15 |
| Pt. Coldw | .40 | .46 |
| Presdor | .03½ | .04 |
| Proprieta | 9.60 | 9.80 |
| Que Mani | .21 | .23 |
| Rand Mal | .26 | .28 |
| Raylartic | .17 | .19 |
| Rebair | .46 | .51 |
| Rhyolite | .01½ | .02 |
| Ritoria | .05½ | .06½ |
| Rou D'Or | .12 | .. |
| S.A.G.A. | .. | .55 |
| Sheldon | .22 | .24 |
| Springer | .61 | .63 |
| Stadacona | .15 | .. |
| Thomso L | .14 | .16 |
| Tom Iron | .68 | .74 |
| Tombill | .10 | .12 |
| Tovarich | .07⅞ | .08½ |
| Un Mining | .06 | .07½ |
| Wesley | .02½ | .03 |
| West Shor | .05 | .06 |
| Y Davids | .28 | .31 |

## Oil Royalties

### *Producing Wells — Prices and Payments*

| | Sept. daily quota bbls.§ | Mar. 15 daily quota bbls.§ | June pay. 1% $ | July pay. 1% $ | Aug. pay. 1% $ | Total to Aug. 31 1% $ | Offering price* per 1% $ |
|---|---|---|---|---|---|---|---|
| Ace No. 1 gross | 300 | 386 | 129.08 | 140.37 | 147.67 | 5,435.04 | .... |
| Alta. Oil Inc. No. 1 gr. | 65 | 65 | 26.80 | 27.60 | 26.00 | 3,845.60 | 1,000 |
| Do., No. 1 net | 65 | 65 | 21.20 | 20.40 | 21.20 | 4,327.20 | .... |
| Do., No. 2 gr. | 300 | 389 | 140.00 | 132.60 | 137.60 | 5,525.40 | 4,500 |
| Do., No. 2 net | 300 | 380 | 121.60 | 98.40 | 96.40 | 6,915.80 | .... |
| Allied No. 1 pfd. | 80 | 93 | 38.86 | 35.27 | 37.51 | 1,822.55 | 1,100 |
| Arrow No. 1 net | 115 | 135 | 35.00 | 18.00 | 41.00 | 1,097.15 | 1,300 |
| Do., No. 2 net | 150 | 170 | 56.00 | 51.00 | 57.00 | 1,991.20 | 1,800 |
| Atlas No. 1 net pfd. | 80 | ... | 39.20 | 36.00 | .... | ...... | 1,300 |
| Atlas-Br. D. No. 2 net | 400 | 450 | 262.80 | 199.20 | .... | ...... | 5,400 |
| Atlas-Br. D. No. 3 pfd. | 350 | 430 | .... | 63.60 | .... | ...... | 5,400 |
| East Crest No. 5 | 115 | 115 | 63.60 | 46.40 | 50.40 | 824.00 | 1,800 |
| Independent No. 1 pfd. | 200 | 200 | 86.89 | 102.74 | 106.43 | ...... | 3,200 |
| Do., No. 1 gr. | 200 | 200 | 82.32 | 94.34 | 94.43 | 2,918.45 | 3,400 |
| Major Oil No. 1 pfd. | 50 | 95 | 40.00 | 13.60 | 53.20 | 1,122.50 | 1,900 |
| Do., No. 1 gr. | 50 | 95 | 37.60 | 22.40 | 46.40 | 1,951.40 | .... |
| Do., No. 2 net | 300 | 350 | 137.20 | 104.40 | 103.60 | 5,684.80 | 4,100 |
| Do., No. 2 gr. | 300 | 350 | 156.60 | 144.40 | 138.80 | 7,367.40 | 5,100 |
| Do., No. 3 net | 450 | 588 | 228.40 | 168.80 | 168.00 | 7,995.60 | .... |
| Do., No. 3 gr. | 450 | 588 | 244.80 | 223.60 | 223.60 | ...... | .... |
| Do., No. 4 pfd. | 45 | 125 | 20.40 | .... | 35.60 | ...... | .... |
| Do., No. 4 gr. | 45 | 125 | 30.00 | 19.20 | 32.80 | ...... | .... |
| Do., No. 7 pfd. | 350 | 500 | 272.80 | 193.60 | 225.20 | 2,789.60 | 6,600 |
| Do., No. 7 gr. | 350 | ... | 198.40 | 168.80 | 196.40 | ...... | .... |
| Do., No. 7 dfd. | 350 | 500 | .... | .... | .... | ...... | 4,200 |
| Do., No. 8 pfd. | 180 | 225 | 107.20 | 108.40 | 114.40 | 1,120.40 | 3,500 |
| Do., No. 8 gr. | 180 | 225 | 89.20 | 84.40 | 121.60 | 1,566.40 | 3,400 |
| Do., No. 8 dfd. | 180 | 225 | .... | .... | .... | ...... | 1,300 |
| Do., No. 9 gr. | 200 | 320 | 160.80 | 96.80 | 124.40 | 2,294.60 | 4,400 |
| Do., No. 9 pfd. | 200 | 320 | 173.60 | 99.60 | 129.60 | 1,163.60 | 4,200 |
| Do., No. 9 dfd. | 200 | 320 | .... | .... | .... | ...... | 1,300 |
| Miracle No. 1 net | 320 | 300 | 104.18 | 103.60 | 103.60 | 5,830.38 | 3,100 |
| Do., No. 1 gr. | 320 | 300 | 142.41 | 143.09 | 143.09 | 5,947.59 | 5,100 |
| Do., No. 2 pfd. | 135 | 200 | 68.04 | 71.11 | .... | ...... | 2,300 |
| Do., No. 2 gr. | 135 | 200 | 57.69 | 62.61 | .... | ‡1,507.38 | .... |
| Miracle No. 3 pfd. | 300 | ... | .... | .... | .... | ...... | 2,100 |
| Do., No. 3 gr. | 300 | ... | 122.83 | 138.62 | .... | ...... | 4,400 |
| National Vulcan | 150 | ... | .... | .... | .... | ...... | 2,500 |
| Twin City No. 2 gr. | 180 | ... | 93.10 | 93.47 | .... | ...... | 3,500 |

*Approximately 25% over dealers' bid price. ‡ To July 31.
§ Approximate.

## Significant Investors' Index Numbers

| | Mach. and equip. | Pulp and paper | Milling | Oils | Textiles and clothing | Food and allied prod. | Beverages | Bldg. mater. | Power and traction | Banks | Total utilities |
|---|---|---|---|---|---|---|---|---|---|---|---|
| No. of Securities | 8 | 7 | 3 | 4 | 10 | 12 | 7 | 15 | 14 | 8 | 18 |
| (Base 1935-39=100) | | | | | | | | | | | |
| ***1935 to date:** | | | | | | | | | | | |
| High | 134.5 | 234.4 | 149.7 | 123.7 | 135.7 | 118.3 | 138.2 | 153.4 | 146.8 | 118.2 | 145.0 |
| Low | 69.7 | 51.6 | 61.2 | 41.2 | 78.4 | 73.5 | 79.3 | 68.7 | 60.2 | 69.0 | 65.2 |
| **1943: Monthly Figures:** | | | | | | | | | | | |
| Jan. | 90.3 | 75.3 | 82.4 | 62.9 | 114.3 | 88.2 | 109.7 | 84.0 | 88.5 | 76.7 | 90.0 |
| Feb. | 94.0 | 75.8 | 88.3 | 67.2 | 117.4 | 88.1 | 111.8 | 85.0 | 88.0 | 78.6 | 88.0 |
| Mar. | 96.7 | 77.1 | 89.5 | 65.6 | 118.1 | 81.6 | 113.9 | 85.3 | 88.6 | 80.2 | 92.1 |
| April | 100.8 | 79.6 | 93.3 | 67.7 | 121.1 | 87.4 | 128.2 | 89.5 | 95.8 | 80.9 | 101.4 |
| May | 104.0 | 89.3 | 91.6 | 67.9 | 119.9 | 88.7 | 128.1 | 91.4 | 101.0 | 80.5 | 106.2 |
| June | 108.6 | 94.7 | 96.0 | 73.2 | 124.0 | 89.4 | 133.5 | 93.1 | 111.1 | 81.4 | 111.1 |
| July | 110.5 | 106.8 | 94.1 | 84.9 | 126.0 | 91.5 | 137.9 | 94.5 | 111.3 | 81.7 | 112.4 |
| Aug. | 109.4 | 104.8 | 92.2 | 82.1 | 125.9 | 93.4 | 138.0 | 93.3 | 109.0 | 82.7 | 109.5 |
| **1943: Weekly Figures:** | | | | | | | | | | | |
| Sept. 2 | 110.1 | 101.5 | 90.3 | 82.8 | 125.9 | 91.6 | 138.8 | 92.5 | 108.1 | 83.2 | 109.4 |
| Sept. 9 | 111.4 | 103.5 | 90.6 | 83.7 | 125.5 | 92.3 | 138.1 | 92.1 | 110.0 | 83.6 | 109.6 |
| Sept. 16 | 111.0 | 103.9 | 92.2 | 82.9 | 125.5 | 93.8 | 136.9 | 92.1 | 110.0 | 82.7 | 109.9 |
| Sept. 23 | 111.5 | 104.7 | 92.9 | 84.1 | 126.5 | 93.6 | 138.2 | 93.8 | 110.8 | 82.5 | 110.3 |
| Sept. 30 | 111.6 | 106.8 | 92.0 | 83.3 | 126.9 | 94.0 | 140.7 | 92.2 | 112.5 | 82.2 | 111.2 |

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

### Toronto Stock Exchange Index

| | 20 Indust. | 20 Golds | 10 B.M. | 15 W.O. |
|---|---|---|---|---|
| Oct. 5 | 123.76 | 98.24 | 74.76 | 26.59 |
| Oct. 4 | 123.45 | 98.58 | 74.60 | 26.51 |
| Oct. 2 | 124.02 | 99.27 | 74.46 | 26.62 |
| Oct. 1 | 124.08 | 99.31 | 74.48 | 26.62 |
| Sept. 30 | 123.52 | 99.15 | 74.46 | 26.53 |
| Sept. 29 | 123.19 | 98.99 | 74.41 | 26.43 |
| Month ago | 121.39 | 98.46 | 74.92 | 25.24 |
| Year ago | 87.65 | 55.40 | 60.35 | 15.56 |
| High 1943 | 124.66 | 100.99 | 76.40 | 26.82 |
| Low 1943 | 98.88 | 70.64 | 63.57 | 18.14 |

### Montreal Stock Exchange Averages

| | 10 Util. | 20 Ind. | 30 Chd. | 10 Pprs. |
|---|---|---|---|---|
| Oct. 5 | 62.3 | 80.0 | 74.1 | 118.02 |
| Oct. 4 | 62.4 | 80.2 | 74.2 | 117.72 |
| Oct. 2 | 62.3 | 80.3 | 74.3 | 118.08 |
| Oct. 1 | 62.4 | 80.4 | 74.4 | 117.18 |
| Sept. 30 | 62.1 | 80.5 | 74.3 | 117.28 |
| Sept. 29 | 62.4 | 80.4 | 74.4 | 117.51 |
| Month ago | 61.0 | 80.1 | 73.8 | 113.59 |
| Year ago | 43.3 | 56.0 | 51.8 | 55.38 |
| High 1943 | 63.5 | 82.4 | 75.9 | 129.86 |
| Low 1943 | 51.8 | 63.4 | 59.5 | 74.07 |

## Winnipeg Grain Futures

Week of October 4, 1943

| Crop year from Aug. 1, 1943 High | Low | | High for week | Low for week | Close Oct. 4 |
|---|---|---|---|---|---|
| | | **Oats*** | | | |
| .51⅛ | .51⅛ | Oct. | .51⅛ | .51⅛ | .51⅛ |
| .51⅛ | .51⅛ | Dec. | .51⅛ | .51⅛ | .51⅛ |
| .51⅛ | .51⅛ | May | .51⅛ | .51⅛ | .51⅛ |
| | | **Barley*** | | | |
| .64¾ | .64¾ | Oct. | .64¾ | .64¾ | .64¾ |
| .64¾ | .64¾ | Dec. | .64¾ | .64¾ | .64¾ |
| .64¾ | .64¾ | May | .64¾ | .64¾ | .64¾ |
| | | **Rye** | | | |
| 1.07¼ | .90¾ | Oct. | 1.07¼ | 1.01¼ | 1.05¼ |
| 1.08½ | .90⅜ | Dec. | 1.08½ | 1.02 | 1.05¼ |
| 1.09 | .92⅛ | May | 1.09 | 1.03¼ | 1.06½ |

*At ceilings.

## Cash Quotations

| | For Week Oct. 4, 1943 High | Low |
|---|---|---|
| **Oats:** | | |
| 2 C. W. | .51⅛ | .51⅛ |
| 3 C. W. | .51⅛ | .51⅛ |
| **Barley:** | | |
| 1 Feed | .64¾ | .64¾ |
| 2 Feed | .64¾ | .64¾ |
| **Rye:** | | |
| 2 C. W. | 1.06⅝ | 1.05¼ |

## Volume of Stock Sales

| | Montreal Markets Indust. | Montreal Markets Mines | Toronto Markets Ind. & Mines | Vancouver Markets Ind. & Mines |
|---|---|---|---|---|
| Oct. 5 | 13,900 | 15,100 | 366,000 | ...... |
| Oct. 4 | 15,700 | 8,600 | 358,000 | 15,500 |
| Oct. 2 | 11,000 | 10,100 | 252,000 | 7,200 |
| Oct. 1 | 11,300 | 16,400 | 391,000 | 19,312 |
| Sept. 30 | 15,500 | 16,200 | 408,000 | 12,960 |
| Sept. 29 | 17,700 | 22,300 | 429,000 | 26,500 |

## Commodities

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $11.2 | $11.16 | $10.37 |
| Hogs | 16.70 | 16.75 | 15.25 |
| Copper, lb. | *.12 | .12 | .12 |
| Cotton, lb. | .2116 | .2112 | .1957 |
| Sugar, raw, lb. | *.0374 | .0374 | .0374 |
| Coffee, lb. | *.09⅜ | .09⅜ | .09⅜ |
| Hides | *.15½ | .15½ | .15½ |
| **Weekly Indices** | | | |
| U. S. Labor | 102.8 | 102.9 | 99.3 |
| Dow Jones (fut.) | 94.22 | 93.64 | 85.47 |
| Fishers | 111.0 | 111.0 | 107.5 |
| **Monthly Indices** | | | |
| Canada (D.B.S.): | | | |
| Retail (Sept.) | 119.4 | 119.2 | 117.4 |
| W'sale (Aug.) | 100.4 | 100.1 | 95.5 |
| U. S. (June) | 103.8 | 104.1 | 98.6 |
| Gt. Brit. (June) | 163.1 | 163.3 | 159.8 |

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

## Annual Meetings

| 1943 | Company | Place |
|---|---|---|
| Oct. 12 | Glenora Gold Mines | Toronto |
| Oct. 12 | Jellico Mines (1939) | Toronto |
| Oct. 12 | Maralgo Mines | Toronto |
| Oct. 13 | South Amer. Gold | New York |
| Oct. 15 | McMarmac Red Lake | Toronto |
| Oct. 16‡ | Alberta Pac. Grain* | Winnipeg |
| Oct. 29 | Calgary & Edm. Corp. | Winnipeg |
| Nov. 9 | Crdt. Fonc. Franco-Can† | Montreal |

‡Postponed from Sept. 25.
*Bondholders. †Special.

## Drilling Wells

| Well: | Drilling depth ft. | Offering price per 1% |
|---|---|---|
| Maryland Pete. pfd. | 8,723 | $2,900 |
| Major Oil, No. 6 pfd. | 8,587 | 3,100 |
| Major Oil No. 6 gr. | 8,587 | 6,900 |
| Empire, pfd.* | .... | 1,100 |

* Ontario Acreage Royalty.

## Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

October 5, 1943

| Public Utility Issues: | Int. Rate % | Due | Bid Oct. 5 | Ask. | Bid Sept. 28 |
|---|---|---|---|---|---|
| ▲Alg. Cen. H.B.R. | 5 | '59 | 34½ | 37½ | 35½ |
| †Assoc. Tel. & T. | 5½ | '55 | 98½ | 101 | 96 |
| B. C. Power | 4½ | '60 | 102 | 104 | 102 |
| B. C. Tel. | 4½ | '61 | 107½ | 110 | 107½ |
| †Calgary Pwr. | 5 | '60 | 111½ | 113½ | 112 |
| Do. | 5 | '64 | 107½ | 110 | 108 |
| †Can. Nor. Pwr. | 5 | '53 | 109 | 111 | 108 |
| •Dom. Gas & El. | 6½ | '45 | 110½ | 112½ | 110½ |
| Gatineau Pwr. | 5 | '49 | 102⅛ | 105 | 103 |
| °Do., A | 3¾ | '69 | 107 | 109 | 107½ |
| ♦Do., B | 3¾ | '69 | 102 | 104 | 102½ |
| Gt. Lakes Pwr. | 4½ | '56 | 102 | 104½ | 102 |
| Do. | 5 | '57 | 102½ | 104½ | 102½ |
| •Int. Hydro-El. | 6 | '44 | 66 | 69 | 65 |
| L. St. Law. Pwr. | 5 | '55 | 101½ | .. | 101½ |
| Macl'n-Que. Pr. | 4 | '59 | 102 | 104½ | 102 |
| Mtl. L. H. & Pr. | 3½ | '56 | 106 | 108 | 106 |
| Do. | 3½ | '73 | 103 | 105 | 102½ |
| Do. | 3½ | '63 | 102½ | 105 | 102½ |
| †Mtl. Tramways | 5 | '51 | 104½ | 106½ | 104½ |
| †Do. | 5 | '55 | 93 | 96 | 93 |
| Nat. Lt. & Pwr. | 4½ | '61 | 101 | 104 | 101 |
| N. S. Lt. & Pr. | 4 | '57 | 102½ | 105 | 102½ |
| Ottawa L.H.&P. | 4 | '57 | 102½ | 105 | 102½ |
| Ottawa V. Pwr. | 5 | '59 | 102½ | 105 | 102½ |
| †Power Corp. | 4½ | '59 | 100½ | 103 | 100½ |
| Quebec Pwr. | 4 | '62 | 104 | 106 | 104 |
| °Saguenay P., A | 4½ | '66 | 117 | 119 | 117 |
| ♦Do., B | 4½ | '66 | 106½ | 109 | 106½ |
| St. Maurice Pr. | 4½ | '70 | 104 | 106 | 104 |
| Shaw. W. & Pr. | 4 | '61 | 105 | 107 | 104 |
| †Do. | 4½ | '70 | 114 | 116 | 114 |
| Do. | 4 | '69 | 105 | 107 | 105 |
| Union Gas | 4½ | '50 | 100½ | 103 | 100½ |
| °Twin C. R. Tr. | 5½ | '52 | 104 | 106 | 103½ |
| †United Secs. | 3 | '52 | 96½ | 99½ | 96½ |
| ‡Wpg. El., ser.A | 5 | '65 | 96 | 98½ | 96 |
| Do., B | 5 | '65 | 93 | 95½ | 93 |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi P. & P. | 5 | '53 | 74½ | 77½ | 74½ |
| Do., C.O.D. | 5 | '53 | 74½ | 77½ | 74½ |
| Acadia Sugar | 4½ | '55 | 101 | 103 | 101 |
| Do. | 6 | '54 | 101½ | 103½ | 101½ |
| †Alta. Pac. Grain | 6 | '46 | 105½ | 107½ | 105½ |
| Algoma Steel | 5 | '48 | 103 | 105½ | 103 |
| Atlantic Sugar | 4 | '51 | 101½ | 103½ | 101½ |
| †B. C. Pulp & P. | 6 | '50 | 97 | 100 | 97½ |
| ‡†Do. | 7 | '50 | 80½ | 83½ | 80½ |
| •Brown Co. | 5 | '59 | 81 | 84 | 81 |
| Burns & Co. | 5 | '58 | 82½ | 85½ | 83 |
| Canada Cement | 4½ | '51 | 103 | 105 | 103 |
| Canada Electric | 4½ | '65 | 99 | 102 | 99 |
| Can. Paper | 4½ | '52 | 100 | 103 | 100 |
| Can. Steamship | 5 | '57 | 104 | 106 | 103½ |
| Can. Canners | 4 | '51 | 102 | 104 | 102 |
| •Can. Int. Paper | 6 | '49 | 110 | 112 | 110 |
| ‡Can. Locomotive | 6 | '53 | 102½ | 105½ | 102 |
| ‡†Candn. Vickers | 6 | '47 | 99 | 102 | 99½ |
| C. P. R. | 3½ | '51 | 101½ | 103½ | 101½ |
| Do. | 4 | '49 | 105 | 107 | 104½ |
| †Consol. Paper | 5½ | '61 | 85½ | 88½ | 85½ |
| Dom. Coal | 4½ | '52 | 100½ | 103 | 100 |
| Dom. Scott. Inv. | 4 | '52 | 100 | 103 | 100 |
| Dom. Stl. & C. | 6½ | '55 | 105 | 107½ | 105½ |
| Dom. Tar | 4½ | '51 | 103½ | 106 | 103½ |
| Dom. Woollens | 6 | '53 | 100 | 103 | 100 |
| †Donnacona Pap. | 4½ | '56 | 86½ | 89½ | 86½ |
| •Dryden Pap. | 6 | '49 | 104½ | 107½ | 104½ |
| †East. Dairies | 6 | '49 | 92 | 95 | 92 |
| Famous Players | 4½ | '51 | 102½ | 105 | 102½ |
| †Federal Grain | 6 | '49 | 106½ | 108½ | 106½ |
| †Fraser Cos. | 6 | '50 | 104 | 106 | 104 |
| Galt Brass | 5 | '50 | 96½ | 99½ | 96½ |
| Gen. Stl. Wares | 4½ | '52 | 101½ | 104 | 101½ |
| •Great L. Paper | 5 | '55 | 99½ | 102 | 99½ |
| °Gurney Fdry. | 5½ | '49 | 94½ | 97½ | 94 |
| †Gypsum Lime | 5½ | '48 | 104½ | 107 | 104½ |
| Ham. By-Pr. C. | 5 | '55 | 102½ | 105 | 102 |
| Do. | 6 | '56 | 101½ | 104½ | 101½ |
| Ham. Cotton | 4½ | '50 | 101½ | .. | 101½ |
| Inter-City Bak. | 5½ | '48 | 102½ | 105 | 102½ |
| Indust. Accept. | 4 | '52 | 96 | 99 | 96 |
| Ins. Ex. Bldg. | 3 | '51 | 58 | 61 | 57½ |
| •Inter. P. Nfld. | 5 | '68 | 103 | 105 | 103 |
| •Inv. Bond & Sh. | 5 | '47 | 52 | .. | 52 |
| †Kingston Elev. | 6 | '50 | 105 | 107½ | 104½ |
| Lake St. J. P. | 5½ | '61 | 96 | 98 | 95 |
| Do. | 5 | '61 | 74½ | 77½ | 74½ |
| Legare | 6 | '61 | 95 | 98 | 95 |
| Maple L. M. | 3 | '58 | 100 | 102½ | 100 |
| Man. Sugar | 5 | '60 | 104½ | 107 | 104½ |

## Corporation Bonds (Cont'd)

| | | | | | |
|---|---|---|---|---|---|
| Massey-Harris | 4½ | '54 | 100½ | 103 | 100½ |
| McColl-Fron. | 4½ | '49 | 102 | 104½ | 102 |
| McCormicks | 4 | '52 | 100½ | 103 | 100½ |
| Do. | 4½ | '52 | 101½ | 104 | 101½ |
| Mercury Mills | 5 | '59 | 101½ | 104 | 101½ |
| Mersey Paper | 5 | '57 | 96½ | 99½ | 96 |
| †Do. | 6 | '49 | 97 | 100 | 97 |
| •M. & O. Paper | 5 | '60 | 108½ | 110½ | 108½ |
| Moirs Ltd. | 6 | '53 | 93 | .. | 93 |
| ‡Mtrl. Drydocks | 6 | '48 | 95½ | 98½ | 95 |
| Montreal Apts. | 4 | '54 | 55½ | 58½ | 55 |
| N. S. Stl. Coal | 3½ | '63 | 86½ | 89½ | 86½ |
| Price Bros. | 5 | '57 | 101 | 103½ | 101 |
| Do. | 4 | '57 | 94½ | 97½ | 94½ |
| •Prov. Paper | 5½ | '47 | 104 | 107 | 104 |
| Reliance Grain | 4½ | '52 | 100 | 103 | 100 |
| †Restigouche Co. | 6 | '48 | 104 | 106 | 104 |
| Rolland Paper | 4½ | '51 | 102 | 104½ | 102 |
| Ruddy, E. L. | 6½ | '48 | 97 | .. | 96 |
| Silv. Dairies | 6 | '66 | 99 | 102 | 99 |
| Simpsons, Ltd. | 4½ | '51 | 102 | 104½ | 102 |
| Smith, Howard | 4½ | '51 | 103½ | 105½ | 103½ |
| Stand. Lime | 6 | '44 | 99 | .. | 99 |
| Sterling Coal | 6 | '45 | 100 | .. | 100 |
| Stop Shop | 3 | '47 | 77½ | 80½ | 77 |
| United Amuse. | 5 | '56 | 102½ | 105 | 102½ |
| United Corp. | 4 | '58 | 97½ | 100 | 98 |
| °United Gas | 5½ | '48 | 108 | 111 | 108 |
| United Gr. Grs. | 4½ | '58 | 99½ | 102 | .. |
| †Western Grain | 5 | '63 | 78½ | 81½ | 100 |

•Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Canada or U. K.

## STOCKS NOT TRADED THIS WEEK

## Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

October 5, 1943

| Miscellaneous Stocks: | Bid | Ask. |
|---|---|---|
| *Acme Farmers, pf. | 84 | 88½ |
| Allens Lond. Thea., pfd | 45 | .. |
| Atlas Steels, 7% 2nd pf | 106 | 108 |
| Brantford Roofing, c. | 3½ | 5½ |
| Can. Co-op. Wool | 8 | 10 |
| Can. Fairbanks, com. | 22 | .. |
| *Can. Gen. Rubber, pfd | .. | 21 |
| Can. Invest. Corp. | 5½ | 6½ |
| Can. Paving 1st pfd. | 1½ | .. |
| Can. West. Lumber, c. | .60 | .. |
| Cawthra Apts. pfd. | 3½ | .. |
| *Claude Neon 7% pfd. | 5½ | .. |
| Commer. Life 10% pd. | 6½ | .. |
| Eastern Steel 5% pref. | 20½ | 21½ |
| †Easy Wash. 7% pref. | 10½ | 11½ |
| Fed. Fdries & Steel c | .20 | .28 |
| Franco Oils | .34 | .38 |
| Highland Dairy, c. | 1 | .. |
| Homewood Sanitarium | 84 | .. |
| Hudson's Bay Ord | 8½ | 9½ |
| Insce. Exch. Bldg. c. | 1 | 1½ |
| Milton Brick, com. | .08 | .15 |
| *Monarch Mtge. units | 1 | 1½ |
| Nat. Hosiery com. | .95 | .. |
| Do., pref. | 1 | .. |
| †Nor. Amer. Elev. 1st pf | 88 | .. |
| *Do., 2nd pref. | 27 | .. |
| Do., com. | .40 | 2 |
| Nor. Telephone, c. | 1½ | .. |
| Numaque Mining | .05 | .. |
| Pacific Coast Terminals | 6½ | 9 |
| Que. Pulp & Paper pfd. | 22 | 23½ |
| Ritchie Cut Stone pfd | 1½ | 4 |
| P. L. Robertson Mfg. c | 22 | .. |
| Do., $2.50 pfd. | 43 | 45½ |
| Sawyer-Massey com. | .60 | .95 |
| St. John Dryd. 5½% pfd | 97 | 100 |
| Sincennes McN. com. | 2 | 2½ |
| Un. Farmers Co-op. | 3 | 3½ |
| Waterloo Mfg., com. | 5 | 5½ |
| York Trading, com. | 3½ | 5 |

*Issue carries arrears.
†Currently paying on arrears.

## Municipal Bonds

Oct. 5, 1943

| | % | Due | Bid | Ask. | Yld. % |
|---|---|---|---|---|---|
| †Halifax | 5 | 1961 | 116.00 | 119.00 | 3.56 |
| Hamilton | 5 | 1950 | 111.00 | 114.00 | 2.72 |
| Montreal | 5 | 1945 | 98.00 | 102.00 | * |
| Ottawa | 4½ | 1945 | 103.00 | 104.50 | 2.07 |
| †Quebec | 5 | 1959 | 118.00 | 121.00 | 3.30 |
| Saint John | 5 | 1950 | 106.00 | 110.00 | 3.45 |
| †Toronto | 4½ | 1955 | 124.00 | 128.00 | 1.75 |
| †Vancouver | 5 | 1950 | 115.00 | 119.00 | 3.84 |
| Winnipeg | 5 | 1944 | 100.00 | 100.50 | 2.00 |

†Payable Can. & N.Y. *Flat.

## Mining Stocks (Cont'd)

| | Div. rate | Last sale | Bid | Ask |
|---|---|---|---|---|
| Sunloch | ... | .25 | .. | .30 |
| Surf. Inlet | ... | .05 | .05½ | .06½ |
| Taylor Bridge | ... | .05 | .03½ | .05 |
| Towagmac | ... | .15 | .15 | .16 |
| Uchi Bonds | ... | 36.00 | 32.00 | 35.00 |
| Wellington | ... | .01½ | .. | .01⅞ |
| Winnipeg R. Tin | .. | .01 | .01 | .01½ |

## Oil Stocks

| | Div. rate | Last sale | Bid | Ask |
|---|---|---|---|---|
| Amalgamated | ... | .10 | .. | .. |
| Brown Oil, debs. | ... | 30.00 | .. | 30.00 |
| Grease Creek | ... | .02½ | .01 | .. |
| Marvel | ... | .01 | .01 | .05 |
| Mill City | †.03 | .06½ | .06 | .. |
| Nordon | ... | .06½ | .05 | .07 |
| Petrol Oil & Gas | .02 | .25 | .. | .. |
| Royal Canadian | ... | .03½ | .03 | .03½ |
| Spooner | ... | .07 | .07½ | .10 |
| Sunset | ... | .08 | .07½ | .08 |
| Texas Can. | ... | 1.70 | 1.00 | 1.90 |
| Vanalta | ... | .08 | .07½ | .08½ |

†Interim paid in 1943.

## Dividends Declared

| | This payment $ | Date payable | Date of record |
|---|---|---|---|
| Alum. of Can., pfd. | 1.25 | Nov. 1 | Oct. 1 |
| Ang. Can. Tele., pf. | .68¾ | Nov. 1 | Oct. 8 |
| Ault & Wiborg, pf. | .37½ | Nov. 1 | Oct. 1 |
| Brazilian Tr. ord. | 1 | Dec. 1 | Oct. 14 |
| Bathurst Pr. & P., A | .25 | Dec. 1 | Oct. 29 |
| Beatty Bros. A | .25 | Oct. 15 | Sept. 30 |
| Brantford Cord., pf. | .32½ | Oct. 15 | Sept. 20 |
| Bell Telephone | 2 | Oct. 15 | Sept. 23 |
| Biltmore Hats | .15 | Oct. 15 | Sept. 30 |
| Bralorne Mines | .20+.10 | Oct. 15 | Sept. 25 |
| Blue Ribbon, pfd. | .62½ | Nov. 1 | Sept. 30 |
| B.C. Power (A) | .50 | Oct. 15 | Sept. 30 |
| B.C. Tele. 2nd pf. | 1.50 | Nov. 1 | Oct. 17 |
| Can. Fdrs. Forg. A | 37½ | Dec. 15 | Dec. 1 |
| Do. (B) | 1.50 | Dec. 16 | Dec. 1 |
| Caldwell Linen, 1st pf. | .37 | Nov. 1 | Sept. 30 |
| Do., 2nd pref. | .20 | Nov. 1 | Sept. 30 |
| Cank Bk. of Comm. | 1.50 | Nov. 1 | Sept. 30 |
| Can. Bronze | .37½ | Nov. 1 | Oct. 11 |
| Do., pref. | 1.25 | Nov. 1 | Oct. 11 |
| Can. Gen. Invest. | .15 | Oct. 15 | Sept. 30 |
| Calgary & Ed.■ | .05 | Oct. 15 | Sept. 11 |
| Can. Nor. Power | ■.15 | Oct. 25 | Sept. 20 |
| Do., pref | ■1.75 | Oct. 15 | Sept. 20 |
| Canadian Car pf. | .52 | Oct. 11 | Sept. 21 |
| Can. Fairbanks, pf. | 1.50 | Oct. 15 | Sept. 30 |
| Can. Converters | .50 | Oct. 30 | Sept. 25 |
| Can. Food Prod. | .50 | Jan. 1 | Nov. 30 |
| Can. Investors | .10 | Nov. 1 | Oct. 5 |
| Cochenour W. Gold | .03 | Oct. 20 | Sept. 30 |
| Can. Industries | 1.25 | Oct. 30 | Sept. 30 |
| Do., 7% pf. | 1.75 | Oct. 30 | Sept. 30 |
| Can. For. Invest. c. | ■1.30 | Nov. 1 | Oct. 1 |
| Cockshutt Plow | .25 | Dec. 1 | Oct. 30 |
| Comm. Alcohols | .05 | Oct. 15 | Sept. 30 |
| Do., pref. | .10 | Oct. 15 | Sept. 30 |
| Coast Brew. | .03 | Nov. 1 | Oct. 9 |
| Canadian Oil, c. | .25 | Nov. 15 | Nov. 1 |
| Dom. Oilcloth, p. | .30+.10 | Oct. 29 | Sept. 29 |
| Dominion Bank | 2 | Nov. 1 | Oct. 15 |
| Distillers Corp. pfd. | †1.25 | Nov. 1 | Oct. 15 |
| Dominion Tar | 1.37½ | Nov. 1 | Oct. 1 |
| Dom. Textile, pfd. | 1.75 | Oct. 15 | Sept. 15 |
| Dome Mines | ■.40 | Oct. 30 | Sept. 30 |
| Dom. Glass | 1.25 | Oct. 15 | Sept. 27 |
| Do., pf. | 1.75 | Oct. 15 | Sept. 27 |
| Dom. Fabrics | .20 | Nov. 1 | Oct. 16 |
| Do., 1st pref. | .75 | Nov. 1 | Oct. 16 |
| Do., 2nd pref. | .37½ | Nov. 1 | Oct. 16 |
| East. Steel, c. | .25 | Dec. 1 | Nov. 10 |
| Foundation Co. | .35 | Oct. 22 | Sept. 30 |
| Gen. St. Wares, p. | 1.75 | Nov. 15 | Oct. 22 |
| General Trust, pf. | 1.25 | Oct. 15 | Sept. 30 |
| Guaranty Trust | 1.25 | Oct. 15 | Sept. 30 |
| Gt. Lakes Power p. | 1.75 | Oct. 15 | Sept. 30 |
| Gordon & Belyea, A | 2 | Nov. 1 | Oct. 22 |
| Do., B com. | .40 | Nov. 1 | Oct. 22 |
| Guar. of N. Amer. | 1.50+2.50 | Oct. 15 | Sept. 30 |
| Hart Battery | .10+.05 | Oct. 29 | Sept. 28 |
| Humberstone Shoe | .75 | Oct. 7 | Sept. 15 |
| Hollinger Cons. | .05 | Oct. 7 | Sept. 23 |
| Imperial Bank | 2 | Nov. 1 | Sept. 30 |
| Inter. Bronze | .20 | Oct. 15 | Sept. 15 |
| Do., pf. | .37½ | Oct. 15 | Sept. 15 |
| Int. Metal. pf. A pf. | 1.50 | Nov. 1 | Oct. 15 |
| Inter. Milling pfd. | •†1.25 | Oct. 15 | Sept. 25 |
| Inter. Nickel, pf. | †1.75 | Nov. 1 | Oct. 4 |
| Invest. Found. | .75 | Oct. 15 | Sept. 15 |
| Int. Util., pr. pf. | †.87½ | Nov. 1 | Oct. 21 |
| Kerr Addison G. | .05 | Oct. 28 | Sept. 30 |
| Kirkland Lake G. | .02 | Nov. 4 | Oct. 1 |
| Langley's pref. | ■.50 | Dec. 11 | Dec. 3 |
| Laura Secord | ■.20 | Dec. 1 | Nov. 1 |
| Leitch Gold | .02 | Nov. 15 | Oct. 15 |
| Maple L. Gdns., p. | .70 | Oct. 15 | Oct. 1 |
| Maritime Tele. | .17½ | Oct. 19 | Sept. 20 |
| Do., pf. | .17½ | Oct. 15 | Sept. 20 |
| McColl-Fron. pfd. | 1.50 | Oct. 15 | Sept. 30 |
| Mtl. L. H. Pr. | .37 | Oct. 30 | Sept. 30 |
| Montreal Telegraph* | .48 | Oct. 15 | Sept. 15 |
| Nat. Steel Car. | 1 | Oct. 15 | Sept. 15 |
| Nor. Ont. Power | .12 | Oct. 25 | Sept. 30 |
| Do., pref. | 1.50 | Oct. 25 | Sept. 30 |
| Ogilvie Flour, pf. | 1.75 | Dec. 1 | Oct. 29 |
| Ont. Steel Prod. | .25 | Nov. 15 | Oct. 15 |
| Do., pref. | 1.75 | Nov. 15 | Oct. 15 |
| Paymaster Cons. | ■.01 | Jan. 10 | Dec. 10 |
| Penmans | .75 | Nov. 15 | Oct. 15 |
| Do., pref. | 1.50 | Nov. 1 | Oct. 1 |
| Preston E. D., c. | .05 | Oct. 15 | Sept. 15 |
| Power Corp., pfd. | ■1.50 | Oct. 15 | Sept. 20 |
| Do., 2nd pfd. | ■.75 | Oct. 15 | Sept. 20 |
| Premier Gold | .01½ | Oct. 15 | Sept. 15 |
| Proprietary Mines | .05 | Nov. 8 | Oct. 8 |
| Quebec Power | .25 | Nov. 25 | Oct. 25 |
| Regent Knit. c. | .25 | Oct. 15 | Sept. 15 |
| Do., pref. | .40 | Dec. 1 | Nov. 2 |
| Rolland Paper | .15 | Nov. 15 | Nov. 5 |
| Do., pref. | 1.50 | Dec. 1 | Nov. 15 |
| Shawinigan W. Pr. | .22 | Nov. 25 | Oct. 25 |
| Sag. Power pf. | 1.37½ | Nov. 1 | Oct. 13 |
| St. John Drydk, p. | 1.37½ | Oct. 1 | Sept. 22 |
| San Antonio Gld. | .07+.03 | Nov. 5 | Oct. 20 |
| South Can. Pwr., c. | .20 | Nov. 15 | Oct. 20 |
| Silbak Premier | .02 | Oct. 25 | Sept. 25 |
| Steel of Can. | .75 | Nov. 1 | Oct. 7 |
| Do., pref. | .75 | Nov. 1 | Oct. 7 |
| St. Law. Corp. pfd. | .25 | Oct. 15 | Sept. 23 |
| St. Law. Paper, pfd. | .75 | Oct. 15 | Sept. 23 |
| St. Law. Flour | .35 | Nov. 1 | Sept. 30 |
| Do., pref. | 1.75 | Nov. 1 | Sept. 30 |
| Sher. Williams | .15 | Nov. 1 | Oct. 10 |
| Sheep Creek G. | .03 | Oct. 15 | Sept. 30 |
| Simpsons, pf. | 1.62½ | Nov. 1 | Sept. 30 |
| South Can. Pwr. pd. | ■1.50 | Oct. 15 | Sept. 20 |
| Stand. Radio A, B | .10 | Oct. 10 | Sept. 21 |
| *Smith H. Paper, pf.* | 1.50 | Oct. 20 | Sept. 30 |
| Sullivan Cons. | .02½ | Nov. 15 | Oct. 15 |
| Sylvanite, c. | .03 | Oct. 15 | Sept. 1 |
| Toburn Gold | .01 | Nov. 22 | Oct. 22 |
| Tuckett Tobacco, pf. | 1.75 | Oct. 15 | Sept. 30 |
| Twin City Tr., p. | ▲1.75 | Oct. 20 | Oct. 15 |
| United Corp., A | .37 | Nov. 15 | Oct. 15 |
| Walker-Good. | 1 | Dec. 15 | Nov. 12 |
| Do., pref. | .25 | Dec. 15 | Nov. 12 |
| Weston, Geo., pfd. | 1.25 | Nov. 1 | Oct. 8 |
| Wood, Alex. & J., pf | 1.75 | Nov. 1 | Oct. 15 |
| Wilsil | .25 | Jan. 2 | Dec. 1 |
| West. Grocers | .75 | Oct. 15 | Sept. 15 |
| Do., pref. | 1.75 | Oct. 15 | Sept. 15 |
| Zeller's | .20 | Nov. 1 | Oct. 15 |
| Do., pref. | .37½ | Nov. 1 | Oct. 15 |

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board. *Net after corporate income tax.

•After this payment rate reduced to $4 per annum. ▲On arrears.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Affiliated Funds | 3.28 | 3.59 |
| Can. Int. Trust | 4.50 | 5.25 |
| Can. Invest. Fund | 3.80 | 4.15 |
| Can. Investors | 5.50 | 6.25 |
| Corp. Investors | 6.30 | 6.80 |
| Trans-Canada | 11.15 | 12.10 |

## Bond Redemptions

| Bond Issues: | Rate | Year | Due | Price |
|---|---|---|---|---|
| Hamilton Cotton | 4½% | 1950 | Nov. 1 | 101½ |
| Fam. Players† A | 4½% | 1951 | Oct. 20 | 102 |
| Do., (B)‡ | 4½% | 1951 | Oct. 20 | 102 |
| Do., (C)■ | 4½% | 1951 | Oct. 20 | 102 |

†$485,500. ‡$33,000. ■$66,000.

**Stock Redemptions:**

| | Rate | Due | Price |
|---|---|---|---|
| Dom. Fdrs. & Stl. | †6% | Oct. 15 | 105 |

†12,000 shs.

## Unlisteds Make Heavier Showing

Plaxton, McDonnell & Co. state gains predominated among unlisted stocks during the past week. Trading volume was heavier.

B. C. Sugar traded at 76⅞ up ⅞ point; the issue closed 76-77½. Canadian General Investments was unchanged at 10½-11, despite ex-dividend feature. Canadian Industries pref. firmed 2½ points at 170½ bid. Canadian Westinghouse advanced 1 point at 47 bid.

Federal Grain com. eased fractionally at $3.90-$4.35. John Inglis was actively traded on rumors of forthcoming initial statement; the issue closed 8⅞-9½. Investment Foundation Units advanced 2½ points at 47½ bid. Provincial Paper 7% pref. eased 1 point at 100-101½, ex-dividend.

## Company Reports

### Nanaimo-Duncan

Application of the full excess profits tax reduced net profits of Nanaimo-Duncan Utilities Ltd. to $57,465 in the year ended June 30, 1943, compared with $71,410 the year before, despite an increase of $15,000 in gross income. Earnings available on the common totalled 42 cents a share, as against 61 cents in 1942.

During the year the company generated 4,955,775 kw.h. and purchased 516,000 kw.h. of electrical energy. Because of shortage of power on Vancouver Island, the company is at present operating its steam plant to full capacity.

**Income & Surplus Account**
**Years Ended June 30**

| | 1943 | 1942 |
|---|---|---|
| Gross income | $498,575 | $484,200 |
| Less: Expenses | 237,716 | 232,876 |
| Depreciation | 63,901 | 73,153 |
| Interest | 29,493 | 30,166 |
| Tax provision | *110,000 | 69,900 |
| Pension fund | ...... | 5,957 |
| Bond premium | ...... | 738 |
| Net profit | 57,465 | 71,410 |
| Less: Pfd. dividend | 26,000 | 26,000 |
| Com. dividend | 37,500 | 37,500 |
| Surplus | ‡6,035 | 7,910 |
| Previous surplus | 106,412 | 98,502 |
| Surplus forward | 100,377 | 106,412 |

*$12,000 refundable. ‡Deficit.

| | 1943 | 1942 |
|---|---|---|
| Earned per share | 42c | 61c |
| Working capital | $97,532 | $42,746 |
| **Balance Sheet Changes** | | |
| Cash | $44,765 | $45,408 |
| Govt. bonds | 90,000 | 50,000 |

## DIVIDEND NOTICES

### The Canadian Bank of Commerce

**Dividend No. 227**

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1943, and that the same will be payable at the Bank and its Branches on and after Monday, 1st November next, to shareholders of record at the close of business on the 30th September, 1943. The Transfer Books will not be closed.

By Order of the Board,

S. M. WEDD,
General Manager.

Toronto, 22nd September, 1943.

### The Dominion Bank

**Dividend No. 244**

Notice is hereby given that a dividend of two per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st October, 1943, making a total distribution of eight per cent for the fiscal year. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of November, 1943, to shareholders of record of the 15th October, 1943.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 9th September, 1943.

### ZELLER'S LIMITED

**Dividend Notice**

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending October 31st, 1943.

On the Preferred Shares, the regular one and one-half (1½) percent (37½ cents), payable November 1st, 1943, to Shareholders of Record October 15th, 1943.

On the No Par Common Shares, 20c per Share, payable November 1st, 1943, to Shareholders of Record October 15th, 1943.

BY ORDER OF THE BOARD.

T. E. McDermott,
Treasurer.

### Guaranty Trust Company of Canada

**QUARTERLY DIVIDEND**

NOTICE is hereby given that a dividend of 1¼%, being at the rate of 5% per annum on the paid-in capital stock of the Company, has been declared for the quarter year ending September 30th, 1943, payable October 15th, 1943, to shareholders of record at the close of business September 30th, 1943.

By Order of the Board,

J. WILSON BERRY,
General Manager.

### BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED

Notice is hereby given that the Board of Directors of this Company has declared a dividend of one dollar per share on the Company's issued Ordinary Shares of no par value, payable on the 1st December, 1943, to shareholders of record at the close of business on the 14th October, 1943. Payment of this dividend to non-residents of Canada will be subject to deduction of the Canadian Non-resident Income Tax.

In the case of shares in the form of share warrants to bearer, the above dividend is represented by coupon No. 72. As most of the share warrants to bearer of the Company have been held in Continental Europe (chiefly in Belgium), the Custodian of Enemy Property in Canada has ordered that no coupon detached from any share warrant to bearer of the Company shall be paid by or on behalf of the Company without reference to him. Holders of share warrants, therefore, wishing to claim their dividends should forward their coupons to the Company at its office, 25 King Street West, Toronto, Canada, or to the English Agents of the Company, Canadian & General Finance Company, Limited, 99 The Drive, Hove, Sussex, England, accompanied by the Canadian Custodian Form G (copies of which can be obtained from any Bank in Canada and from the English agents of the Company above referred to) and if the Custodian's consent is received a cheque in Canadian currency will be forwarded to the holder for the value of the coupons against cancellation thereof, subject to the deduction where applicable of the Canadian Non-resident Income Tax.

Dated at Toronto, Canada, the 30th day of September, 1943.

By Order of the Board,

D. H. CROMAR,
Secretary.

Note: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada, who should be notified promptly of any change of address.

### The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the 10th day of October, 1943, and that cheques will be mailed on November 1, 1943.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
September 1, 1943.

### San Antonio Gold Mines Limited

(No Personal Liability)

**Dividend No. 20**

Notice is hereby given that a dividend of 7c a share, and an extra dividend of 3c a share, making 10c a share in all, has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 5th day of November, 1943, to shareholders of record at the close of business on the 20th day of October, 1943.

By order of the Board.

M. SNYDER,
Secretary.

September 28, 1943.

**Winnipeg Wheat Market**

# 'Peg Exchange Closes Up Shop

## Many Holders of Futures Loath to Sell Out At Once

From Our Own Correspondent

WINNIPEG.—The business of the Winnipeg wheat futures market is being wound up, but it is not yet clear just how soon all outstanding commitments will be liquidated. Only trading allowed is in wheat for October, December and May delivery, and at the closing prices registered on Sept. 27.

Number of bushels held by "longs" is, of course, exactly equal to the number of bushels sold by other people, who were responsible for its ultimate delivery. The "short" interest was mainly, and indeed almost wholly, on the part of various interests which had been carrying wheat, or perhaps flour, in different positions, some west, and some east of Winnipeg, against which they had made hedging sales. Assured that the Government would buy all wheat in commercial positions in Canada on the basis of prices of Sept. 27, such interests no longer needed hedging protection, and were willing to close out their positions by buying an equivalent quantity of wheat in the futures market.

This has been done to a large extent, but could be done only in so far as "longs" were willing to sell out.

**Unwilling to Sell**

Not everyone was ready to do so immediately, for holders of futures contracts did not have quite the same protection of their interests as had the sellers. It is assumed by everyone that the Canadian Wheat Board will protect the position of former purchasers in the futures market, if they wish to get the wheat for which they have contracted. But some of such holders have preferred to wait for absolutely definite information as to what is being done, before giving up their position in the futures market.

Another class of reluctant sellers is represented by brokerage houses in the United States which had accepted buying orders for clients. They feel an obligation to their clients not to close them out without either the client's instructions, or such definite instructions from authority in this country as will make it clear to their clients that no other course was possible.

**U. S. Buyers Hang On**

Some United States buyers, it is understood, are anxious to maintain a position in the Winnipeg market for as long a period as possible. Any profits they may realize on transactions in the Winnipeg market will be more heavily taxed if the result of a short term transaction, and will be more lightly dealt with if the final sale is of a commodity held for six months or more.

It is not possible for one side of the market to be liquidated more rapidly than the other. Delays may make it necessary for the Exchange itself, with the co-operation of the Clearing House, to order all wheat futures contracts still outstanding to be liquidated by cross entries on the books of the Clearing House.

# The Business Of Farming

By GORDON L. SMITH

Ottawa has announced the appointment of a new committee headed by Dr. Robert Newton, president of the University of Alberta, to study utilization of western crops. Presumably investigation will concentrate on the industrial use of these crops, rather than as food for man and livestock.

For many years there has been a good deal of experiment along this line, by various interests but a weakness has been a lack of coordination. A central committee such as that headed by Dr. Newton should help.

• • •

***No Overnight Change***

While spectacular results can hardly be expected in the long run there may be substantial benefit. The problem is so vast and agricultural changes so necessarily slow, that an overnight transition is impossible. However, there are already many leads.

Industrial and partly industrial crops now growing in Western Canada include flax, sugar beets, corn soy beans, sunflower rape, and various kinds of straw. Wheat so far as its use for alcohol is concerned, should also be included. Research undoubtedly would add to this list and it may also gradually extend the industrial market for each.

For various reasons the industrial utilization of these products has been very small, that is in proportion to the total of agricultural crops produced. Since the war there has been a good deal more interest and a little new actual development but relatively speaking the progress is still almost negligible. The main reason has been the cheapness of other processes, materials or imports. Experimental tests with producing alcohol from wheat, for instance, show a cost considerably higher than that from the usual raw materials.

• • •

***High Cost Biggest Obstacle***

The new committee, undoubtedly, will find its hardest work in attempting to solve this high cost.

Chief advantage of the greater industrial use of farm crops would be added stability to agriculture and agricultural income. In normal times, ordinary farm food crops like wheat, hogs and butter, are very volatile in price. Industrial products, as a rule are less so, and there is certainly much less seasonal variation. Moreover there would be somewhat less dependence on foreign markets as presumably much of the industrial crop production would be used at home.

• • •

***Ease-Up on Livestock***

In the United States stress is being laid on increased production of farm crops and much less on the output of livestock, especially meat animals. Indeed, some contraction of the latter is officially scheduled for the simple reason that numbers of hogs, poultry and cattle are outrunning necessary feed supplies.

With still a big surplus of feed grain in Western Canada, we have not reached the same situation, but we seem to be heading in that direction. Undoubtedly when agricultural GHQ get together on next year's goals, pressure to continue to expand livestock, especially hogs, will be eased, and more stress laid on greater crop production.

Reasoning behind such a change in trends is the proven fact that there is more food value for the human being in grain eaten directly than in the meat produced from that grain. If this continent was as crowded and as poor as China or India, for instance, undoubtedly its inhabitants would be eating a great deal less meat.

Most of us wouldn't like the change and as a matter of fact there is little likelihood of us having to submit to any really drastic switch. What will probably happen is that gradually as the war continues we will have to do with less meat and eat more bread and other cereals.

• • •

***Grain Hog-ratio***

Actually a combination of price and feed economics may reverse the trend in livestock population sooner than planned. Already in Eastern Canada, due to local shortages of feed, there has been some liquidation of hogs and to a lesser extent of cattle. Farmers with insufficient grain from their own poor home-grown crops this year and not sure of getting enough supplies from the west decided to reduce livestock holding more in keeping with grain in sight.

In Western Canada, it is reported, a similar liquidation is possible but for a different reason. The recent rise in wheat prices and the new subsidies paid on oats and barley has upset the delicate hog-grain ratio to the possible disadvantage of the former. If farmers decide that they can sell grain for almost as much cash as the hogs fed from that grain, then quite a few of them will soon get out the business of raising hogs. After all pigs are not such lovable animals that they are kept just for their company.

## U. S. Woodpulp Stocks Declined During August

Stocks of purchased wood pulp in the United States, as reported to American Paper & Pulp Association for Sept. 1 showed continuation of the decrease evident since early in the year.

During August stocks decreased approximately 15,000 tons compared with a decrease of about 26,500 tons in July, and an average monthly decrease of approximately 14,000 tons since March 1 of this year.

# Air Training Plan Saved by New Cabinet Action

## Threatened Drought of Air Crew Manpower Halted by Tri-service Agreement to Co-operate in Recruiting Campaigns

By STAFF WRITER

OTTAWA. — Two months after revelation in The Financial Post that Canada's mighty air training plan was in danger of substantial curtailment through lack of manpower unless decisive Cabinet action were taken, announcement comes from Ottawa that the War Committee of Cabinet has approved a streamlined plan to permit interchange of recruits and presently enlisted personnel between the Army and the Air Force.

Though advocated as far back as 1940, this is the first time Canada has moved to co-ordinate her recruiting and manpower requirements among the three services.

According to informed sources, this plan is almost precisely the program which had been urged repeatedly by Air Force officials to help solve the drying up of air crew manpower. Until recently it had been turned down at high Cabinet levels despite agreement among officials of the two departments that something should be done. At a recent meeting of recruiting officers of both sections Col. Ralston and Hon. C. G. Power indicated a desire on the part of both services that the new plan be put immediately into effect.

**Where Does the Navy Stand?**

To what extent the Navy will participate is not yet clear. The announced intention is:

(a) In future all three services will recruit manpower on a co-operative basis; (b) There will be an over-all and joint recruiting campaign for the three services similar to that tried experimentally by the three services in respect of women recruits; (c) There will now be permitted on a "controlled and voluntary basis" the transfer of men from the Air Force to the Army for overseas service and the transfer of army personnel to the Air Force for air crew.

This means, in effect, two things:

(1) Henceforth an attempt will be made to channel new recruits into the service for which they are best suited rather than have the three services compete unrestrictedly for manpower among themselves;

(2) Men presumably enlisted in the Army or the Air Force will have an opportunity to transfer to another service if they so desire.

**C. O. an Obstacle?**

At this point sceptics are querying whether a commanding officer can block a transfer by smothering the application of men in his establishment who wish to transfer to another service. Under the agreement set up, however, all applications from men of all ranks for transfer must be forwarded to headquarters irrespective of whether or not they carry approval of the C. O. Because the latter does not approve the transfer does not mean that the request gets no farther.

All men fit to serve as air crew will be given the opportunity to enlist as such and all men who are fit to serve overseas in the Army but do not possess specialist qualifications for air crew duties will be enlisted in the Army. No men who are fit for overseas army service or who possess the specialist qualifications for air crew will be permitted to enlist in the Air Force for ground duties.

Groundwork for the new plan was laid in part through co-operative experiments conducted at Army reception centres at Regina and Kingston where both Army and Air Force recruiting staffs were on hand to interview prospective recruits. Results showed that a good percentage of men who intended enlisting in the Army were qualified to train as air crew, and that men unfit for service overseas in the Army qualified for certain duties in the Air Force either as air crew or ground crew.

### Anglo-Canadian Telephone Company

**PREFERRED DIVIDEND NOTICE**

NOTICE is hereby given that a dividend of One and Three-Eighths percent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending October 31, 1943, payable November 1, 1943 to Stockholders of record at the close of business on October 8, 1943.

By Order of the Board,

CAMERON HOUGH,
Secretary.

Montreal,
September 22, 1943.

### Anglo-Canadian Telephone Company

**CLASS A DIVIDEND NOTICE**

NOTICE is hereby given that a dividend of One and One-half percent (1½%) has been declared on the Class A Stock of the Company, payable December 1, 1943 to Stockholders of record at the close of business on November 10, 1943.

By Order of the Board,

CAMERON HOUGH,
Secretary.

Montreal,
September 22, 1943.

# Need Plan For Postwar Trade

(Continued from page 9)

rived at a formula after heated and, at times, bitter discussion at Ottawa in 1932. Shortly afterward Cordell Hull introduced his U. S. Trade Agreements Act. It empowered the President to enact bilateral trade agreements with individual countries and lower tariffs as much as 50% without ratification by Congress. (It is under this act that the U. S. has negotiated trade pacts with some 20 or 30 nations including Canada and U. K.)

More recently, when the U. S. signed Lend-Lease agreements with a great number of nations in the past few years it included a clause to which the benefiting nations were required to agree and which (by implication at least) declares such agreements as were worked out by Empire countries at Ottawa to be discriminatory. On the other hand, Britain, Canada and other important trade powers now look on the U. S. Trade Agreements Act (which Congress recently renewed for a further period) as an obsolete method of bringing about the sort of expanded multilateral world trade which is envisaged in the Atlantic Charter and which, in principle, has been affirmed by United Nation world leaders on many occasions since that time.

In some quarters it is avowed that Canada will not be so concerned about foreign trade after the war as it was in prior years. Why, it is argued, should we send refrigerators or insulating material or farm implements abroad when our own people lack these things?

Underneath this argument is a vitally important truth, namely that mutually profitable exchange of goods between nations must be predicated on a reasonable level of internal prosperity within each trading country.

Assuming this level of prosperity can be achieved in Canada after the war it is reasonable to suppose that our external trade may not loom as such a large fraction of our economy as in the past. But the maintenance of the sort of national income level which we hope to achieve after the war must still contain, for Canada, at least, a volume of trade that should equal if not exceed the dollar volume we transacted in pre-war days.

# August Gold Output Rises

## Value of Production Up Though Tonnage Lower In Latest Period

After striking its lowest point for seven years in July, gold production showed some recovery in August to $6.4 million compared to $6.3 million the previous month. The gain was due to an increase in the grade of ore milled, the number of tons milled having shown a decline.

Comparing Aug., 1942 with Aug., 1943, there was a decrease in tonnage of 23.72% while the value of production fell somewhat less to 22.52%. For the first eight months of 1943 the value of gold produced was a little over $16 millions less than for the same period in 1942.

**Monthly Gold Output**

| | 1943 Tons milled (000) | 1943 Value (000) | 1942 Tons milled (000) | 1942 Value (000) |
|---|---|---|---|---|
| **Porcupine Belt:** | | | | |
| Jan.-June | 3,023 | $26,956 | 2,314 | $21,076 |
| July | 482 | 4,280 | 337 | 3,103 |
| August | 455 | 4,179 | 341 | 3,134 |
| Total | 3,960 | 35,415 | 2,992 | 27,313 |
| **Kirkland Lake-Larder-Lake:** | | | | |
| Jan.-June | 1,230 | 14,536 | 1,114 | 13,014 |
| July | 221 | 2,517 | 170 | 1,952 |
| August | 212 | 2,489 | 167 | 1,952 |
| Total | 1,663 | 19,542 | 1,451 | 16,918 |
| **Matachewan-Sudbury:** | | | | |
| Jan.-June | 404 | 1,761 | 277 | 1,187 |
| July | 74 | 314 | 57 | 237 |
| August | 67 | 331 | 61 | 258 |
| Total | 545 | 2,406 | 395 | 1,682 |
| **Northwestern Ontario:** | | | | |
| Jan.-June | 898 | 10,629 | 589 | 7,352 |
| July | 143 | 1,809 | 89 | 1,040 |
| August | 131 | 1,641 | 83 | 1,048 |
| Total | 1,172 | 14,079 | 761 | 9,440 |
| **Miscellaneous:** | | | | |
| Jan.-Aug | .... | 24 | ... | 17 |
| **Total for Ontario:** | | | | |
| Jan.-June | 5,554 | 53,896 | 4,294 | 42,647 |
| July | 921 | 8,925 | 653 | 6,332 |
| August | 865 | 8,646 | 652 | 6,392 |
| Total | 7,340 | 71,467 | 5,599 | 55,371 |

# U. S. Interests Endorse End Of Ottawa Trade Agreements

From Our Own Correspondent

VANCOUVER. — Some industrial interests in the Pacific Northwest States are evidently assuming that the war will result in termination of the Ottawa Agreements and the beginning of an era of free trade between Canada and the United States, in some commodities at any rate.

American lumbermen are particularly desirous of seeing the Ottawa Agreements cancelled out as such action would reopen the markets for them in the United Kingdom and the Overseas Dominions where they used to have a trading advantage which the Empire tariff preferences of 1932 neutralized.

The attitude of British Columbia lumbermen toward such a move has yet to be definitely determined, no member of the trade having so far publicly expressed himself on the subject. It is a fact, however, that many lumber operators in B. C. would like to see the U. S. market opened to them again even at the expense of a portion of the British markets.

**American Viewpoint**

As for the American standpoint, Pacific Shipper, published in San Francisco, states:

"Lumbermen in the Northwest have informed the State Department that in exchange for cancellation of the Ottawa Agreements they would support equal treatment for Canadian and American Lumber. While this would give Canada participation in our annual lumber market of 30 billion board feet as against our participation in a British Empire lumber market of 12.5 billion feet, it would also mean restoration of former British offshore markets for the lumber industry of the United States Pacific coast.

"The availability of this foreign trade would allow a stable demand of large sizes or 'cutting items' and operating economies obtainable only through access to a wide range of markets taking different sizes and grades of lumber."

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# Savings Deposits Again "Ready" for Victory Loan

## Estimated at New High Before Fifth Victory Loan Campaign Opens — Commercial Loans Continue to Show Downward Trend

Savings deposits in the chartered banks in Canada at the end of August at over $1.9 billions were within $11 millions of high record established last April, just before the Fourth Victory Loan was floated.

The figures are from the regular monthly return of the chartered banks to the minister of finance as at Aug. 31. It is believed that the previous high record was passed by a good margin before the end of September. Accordingly the Fifth Victory Loan campaign to be started shortly comes when public savings are higher than ever before.

Compared with the previous month and the corresponding month last year, savings deposits are substantially higher. Demand deposits while up in August over the previous month and the same month of 1942 were still somewhat below the high April level.

Reflecting further repayments of money borrowed in the previous campaign and also shrinkage of borrowing by business and industry, current loans were down $70 millions from the previous year, although still $74.6 millions higher than in the previous year. Call loans were slightly below the July level but up $11 millions from last year.

Loans to the provinces and the municipalities continue to decline. Municipal loans were lower in both monthly and yearly comparisons, but provincial loans, while lower for the month, were a little higher than a year ago. The lighter demand for both municipal and provincial loans reflects improved tax collections and in some cases reduction in expenditures.

**Cash Position**

The banks' cash position continued strong, an increase of more than $101 millions indicating the larger reserves held in Bank of Canada notes and deposits with the Bank of Canada against public deposits.

Important figures from the statement with comparisons follow:

**Use of Bank Credit**
(In Millions of Dollars)

| | August 1943 | July 1943 | Change | August 1942 | Change |
|---|---|---|---|---|---|
| Loans | 1156.2 | 1,230.1 | —73.9 | 1,087.7 | +68.5 |
| Investments | 2,681.3 | 2,652.2 | +29.1 | 2,191.9 | +489.4 |
| Total | 3,837.5 | 3,882.3 | —44.8 | 3,279.6 | +557.9 |
| Deposits | 3,568.5 | 3,301.8 | +266.7 | 3,122.4 | +446.1 |
| Credit index* | 30.7% | 35.4% | ...... | 32.4% | —1.7% |

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

**ASSETS**

| | August 1943 $ | July 1943 $ | Change $ | August 1942 $ | Change $ |
|---|---|---|---|---|---|
| **Immediately Available Liquid Assets** | | | | | |
| Canadian coin | 7,290,015 | 6,484,448 | +805,567 | 7,197,623 | +92,392 |
| Bk. of Can. notes | 118,260,138 | 104,895,549 | +13,364,589 | 99,844,750 | +18,415,388 |
| Bk. of Can. depos. | 308,589,202 | 294,973,138 | +13,616,064 | 225,453,662 | +83,135,540 |
| Bank's cash | 434,139,355 | 406,353,135 | +27,786,220 | 332,496,035 | +101,643,320 |
| Other bank's notes | 1,069,526 | 1,008,635 | +60,891 | 2,483,457 | —1,413,931 |
| Gold sub. coin abd. | 2,887,698 | 2,777,443 | +110,255 | 2,791,107 | +96,591 |
| Foreign banks | 238,640,790 | 189,170,509 | +49,470,281 | 187,800,423 | +50,840,367 |
| Foreign currency | 81,635,880 | 79,714,739 | +1,921,141 | 43,331,274 | +38,304,606 |
| Gov. sec. sht. term | 1,578,805,114 | 1,559,271,341 | +19,533,773 | 1,069,487,268 | +509,317,848 |
| Do., long term | 791,335,892 | 792,603,409 | —1,267,517 | 829,610,562 | —38,274,670 |
| Call loans abroad | 75,833,756 | 66,428,998 | +9,404,758 | 55,024,713 | +20,809,043 |
| | 3,204,348,011 | 3,097,328,209 | +107,019,802 | 2,523,024,837 | +681,323,174 |
| **Loans and Other Securities Other Than Those of Canadian Government** | | | | | |
| Municipal secs. | 63,712,455 | 65,242,620 | —1,530,165 | 77,982,005 | —14,269,550 |
| Public secs.♦ | 172,645,411 | 158,415,136 | +14,230,275 | 128,664,447 | +43,980,964 |
| Other secs. | 74,853,561 | 76,691,311 | —1,837,750 | 86,202,214 | —11,348,653 |
| Can. call loans | 35,233,021 | 36,388,804 | —1,155,783 | 24,213,242 | +11,019,779 |
| Current loans | 1,062,942,828 | 1,133,154,482 | —70,211,654 | 988,336,320 | +74,606,508 |
| Loans abroad | 88,992,634 | 100,052,077 | —11,059,443 | 114,707,802 | —25,715,168 |
| Prov. loans | 5,119,339 | 5,564,575 | —445,236 | 4,248,946 | +870,393 |
| Mun. loans | 52,875,905 | 54,984,537 | —2,108,632 | 70,894,102 | —18,018,197 |
| | 1,556,375,154 | 1,630,493,542 | —74,118,388 | 1,495,249,078 | +61,126,076 |
| **Other Assets** | | | | | |
| Non-current loans | 2,554,608 | 2,854,632 | —300,024 | 4,131,586 | —1,576,978 |
| Real estate | 5,296,143 | 4,923,890 | +372,253 | 5,978,254 | —682,111 |
| Mortgages | 3,103,436 | 3,131,459 | —28,023 | 3,479,486 | —376,050 |
| Premises | 66,943,046 | 67,101,549 | —158,503 | 69,436,395 | —2,493,349 |
| Letters of credit | 116,848,470 | 117,215,985 | —367,515 | 110,143,148 | +6,705,322 |
| Loans to comp. | 10,486,885 | 11,241,102 | —754,217 | 11,020,598 | —533,713 |
| Other assets | 2,228,515 | 2,254,268 | —25,753 | 1,820,489 | +408,026 |
| | 207,461,103 | 208,722,885 | —1,261,782 | 206,009,956 | +1,451,147 |
| Total | 4,968,184,268 | 4,936,544,636 | +31,639,632 | 4,224,283,871 | +743,900,397 |
| Note circ. dep. | 3,345,377 | 3,385,452 | —40,075 | 4,016,842 | —671,465 |
| Int. bank bal. | 183,360,676 | 160,157,359 | +23,203,317 | 161,681,792 | +21,678,884 |
| Gross | 5,154,890,321 | 5,100,087,447 | +54,802,874 | 4,389,982,505 | +764,907,816 |

**LIABILITIES**

| | August 1943 $ | July 1943 $ | Change $ | August 1942 $ | Change $ |
|---|---|---|---|---|---|
| **To the Public** | | | | | |
| Circulation | 47,380,296 | 48,484,221 | —1,103,925 | 73,421,465 | —26,041,169 |
| Dom. Govt. | 308,561,104 | 555,379,937 | —246,818,833 | 89,734,041 | +218,827,063 |
| Prov. Govt. | 100,663,612 | 101,893,859 | —1,230,247 | 98,890,921 | +1,772,691 |
| **Deposits by Public** | | | | | |
| Demand dep. | 1,652,731,307 | 1,476,063,484 | +176,667,823 | 1,422,882,659 | +229,848,648 |
| Savings dep. | 1,915,732,321 | 1,825,759,365 | +89,972,956 | 1,699,553,037 | +216,179,284 |
| Total | 3,568,463,628 | 3,301,822,849 | +266,640,779 | 3,122,435,696 | +446,027,932 |
| Foreign dep. | 620,777,656 | 586,514,991 | +34,262,665 | 514,733,592 | +106,044,064 |
| **Due to Banks Abroad** | | | | | |
| United Kingdom | 33,732,981 | 32,467,792 | +1,265,189 | 25,727,197 | +8,005,784 |
| Foreign | 38,607,847 | 38,267,838 | +340,009 | 34,192,581 | +4,415,266 |
| Letters of credit | 116,848,470 | 117,215,985 | —367,515 | 110,143,148 | +6,705,322 |
| Other liabs. | 4,990,663 | 4,558,477 | +432,186 | 5,229,671 | —239,008 |
| Total pub. liabs. | 4,840,026,257 | 4,786,605,949 | +53,420,308 | 4,074,508,312 | +765,517,945 |
| Due bet banks | 10,377,180 | 10,928,354 | —551,174 | 12,070,399 | —1,693,219 |
| **Liability to Shareholders** | | | | | |
| Dividends | 1,814,735 | 2,169,770 | —355,035 | 2,285,401 | —470,666 |
| Reserve | 136,750,000 | 136,750,000 | ........ | 134,750,000 | +2,000,000 |
| Capital | 145,500,000 | 145,500,000 | ........ | 145,500,000 | ........ |
| Gross | 5,134,468,172 | 5,081,954,075 | +52,514,097 | 4,369,114,112 | +765,354,060 |

♦Other than Canadian.

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# *Status of Ordinary Beneficiary Said in Need of Clarification*

At an executive session of the provincial superintendents of insurance in Regina recently it was agreed that the Uniform Life Insurance Act should be amended to clarify the position of an ordinary beneficiary. Some doubt has been aroused, by a recent decision of Justice Plaxton of the Supreme Court of Ontario, as to the right of an ordinary beneficiary to sue an insurer and to receive any insurance money due under a policy and to give an effective discharge. The decision was in the case of Deckert vs. Prudential Insurance Co. of America in which the insured, a brother of the plaintiff, had been hanged for the murder of his wife. Nature of the necessary amendment, however, could not be agreed upon and accordingly no amendment will be recommended for immediate enactment.

The superintendents appeared to support the Plaxton decision in the same case, that, because the insured had been hanged for the murder of his wife, the insurance company should not be liable to pay the death claim under the policy, as such payment would be contrary to public policy.

On a suggestion that the Uniform Life Insurance Act be amended to require policyholders to submit proof of age during their lifetime, it was agreed no statutory requirement was feasible. The Act at present provides that the insurer or the insurance company is entitled to reasonably sufficient proof of the age of the life insured.

Another amendment considered was one affecting declarations concerning insurance moneys. Under the uniform life insurance act an assignee for value, for example a bank, who has loaned money to the policyholder on the security of his policy may lose his security if there is an undisclosed appropriation in favor of a preferred beneficiary at the time of the assignment. It was agreed to recommend no such amendment until after the 1944 meeting.

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Notice is hereby given that the Zurich General Accident and Liability Insurance Company Limited has received Certificate of Registry No. C832, authorizing it to transact in Canada the business of Fidelity Insurance, in addition to the classes for which it is already registered.

J. H. BURGAR,
Chief Agent for Canada.

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Fidelity & Guaranty
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# Increase Seen In Bank Debits

## Total Figures Up 15% For Month, 18% For Eight Months

Checques cashed in the 33 clearing house centres of Canada in August, at more than $4 billions, were 15.5% higher than in the same month last year. The expansion is attributed to larger productive and speculative activities at a higher price level than a year ago. Stock market trading has been on a heavier scale.

Increases were shown in all five economic areas, the largest gain being in the Prairie Provinces. Gains in the different areas were Maritimes 12.8%; Quebec 19.8%; Ontario 4.7%; Prairies 45%; British Columbia 14%.

Total debits for the first eight months of the year at $33.9 billions were $5.1 billions, or 17.8%, higher than in the same period of 1942. Figures for all five economic areas were up substantially, the greatest increase being 32% in the Prairies.

**Debits to Individual Accounts**
(Millions of $)

| | 1943 Aug. | 1943 July | 1942 Aug. |
|---|---|---|---|
| **Maritimes:** | | | |
| Halifax | 48.8 | 52.9 | 44.2 |
| Moncton | 16.3 | 19.2 | 15.1 |
| Saint John | 26.6 | 28.8 | 22.0 |
| Total | 91.7 | 100.9 | 81.3 |
| **Quebec:** | | | |
| Montreal | 1,097.2 | 1,194.3 | 888.4 |
| Quebec | 108.0 | 104.4 | 117.2 |
| Sherbrooke | 10.5 | 11.7 | 9.6 |
| Total | 1,215.7 | 1,310.4 | 1,015.2 |
| **Ontario:** | | | |
| Brantford | 17.4 | 19.1 | 15.8 |
| Chatham | 9.1 | 10.7 | 8.2 |
| Fort William | 10.7 | 10.0 | 9.8 |
| Hamilton | 94.9 | 118.5 | 106.8 |
| Kingston | 11.4 | 13.3 | 9.9 |
| Kitchener | 18.4 | 21.6 | 17.1 |
| London | 41.3 | 47.7 | 40.4 |
| Ottawa | 537.5 | 476.6 | 524.1 |
| Peterborough | 11.6 | 12.3 | 11.3 |
| St. Catharines | 20.6 | 20.5 | 19.5 |
| Sarnia | 13.4 | 15.4 | 11.6 |
| Sudbury | 8.0 | 8.5 | 8.6 |
| Toronto | 879.2 | 1,101.2 | 804.5 |
| Windsor | 73.2 | 79.5 | 81.0 |
| Total | 1,746.7 | 1,954.9 | 1,668.6 |
| **Prairies:** | | | |
| Brandon | 6.4 | 6.8 | 5.8 |
| Calgary | 89.8 | 91.3 | 71.4 |
| Edmonton | 82.8 | 85.2 | 55.9 |
| Lethbridge | 7.5 | 7.9 | 5.9 |
| Medicine Hat | 4.9 | 5.0 | 3.5 |
| Moose Jaw | 12.3 | 11.5 | 8.8 |
| Prince Albert | 4.9 | 4.7 | 4.3 |
| Regina | 61.6 | 69.5 | 46.0 |
| Saskatoon | 18.3 | 18.2 | 15.8 |
| Winnipeg | 420.3 | 465.0 | 271.6 |
| Total | 708.8 | 765.1 | 489.0 |
| **British Columbia:** | | | |
| New Westminster | 12.4 | 12.6 | 10.8 |
| Vancouver | 197.5 | 215.6 | 177.0 |
| Victoria | 47.5 | 46.2 | 37.8 |
| Total | 257.4 | 274.4 | 225.6 |
| **Total, Canada** | 4,020.3 | 4,405.7 | 3,479.7 |

## Staff Changes

**The Bank of Nova Scotia** announces the following staff changes:

J. A. FIOTT, to be supervisor of branches.

W. LONG, to be manager, Timmins, Ont.

C. E. TANNER, to be an assistant manager, Havana, Cuba.

H. M. SHERWOOD, to be accountant, Park & Fairmount, Montreal.

**The Canadian Bank of Commerce** announces the following staff changes:

J. D. COLLIER, manager, Watson, Sask., to be manager, Neepawa, Man.

F. L. WATTERS, manager, Biggar, Sask., to be manager, North Battleford, Sask.

W. W. GREIG, manager, Church & Dundas, Toronto, to be manager, Thorold, Ont.

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# Bank of Canada Assets Lower

Total assets of the Bank of Canada show a decline of $11 millions, in the statement for the week ended Sept. 29. The decline was in holdings of short term government bonds, miscellaneous assets being slightly higher. On the liability side, note circulation was up, but almost all other items were lower.

| | Sept. 29 1943 $ | Sept. 22 1943 $ |
|---|---|---|
| Capital paid-up | 5,000,000 | 5,000,000 |
| Notes in circultn. | 813,728,578 | 807,987,341 |
| Rest fund | 6,472,953 | 6,472,953 |
| Deposits: Dom. | 40,558,291 | 45,103,759 |
| Other | 300,937,778 | 310,122,222 |
| Other | 12,567,683 | 15,021,631 |
| Total deposits | 354,063,752 | 370,247,612 |
| All other liabs. | 14,623,860 | 15,044,854 |
| Total liabs. | 1,193,889,143 | 1,204,752,760 |
| **Assets** | | |
| In Sterling & U.S. | 31,043,050 | 31,062,441 |
| Subsid. coin | 290,196 | 191,275 |
| Investments: | | |
| Dom. govt. sh. | 786,738,647 | 799,428,689 |
| Other Dom. gov. | 358,110,703 | 357,640,499 |
| Total invest. | 1,144,849,350 | 1,157,069,188 |
| Premises | 2,097,540 | 2,101,143 |
| All other assets | 15,609,007 | 14,328,713 |
| Total assets | 1,193,889,143 | 1,204,752,760 |

## Weekly Bank Clearings

| | Sept. 30 1943 $ | Change year ago % | Sept. 23 1943 $ |
|---|---|---|---|
| Halifax | 3,744,304 | +1.8 | 4,159,462 |
| Saint John | 2,662,681 | +12.1 | 2,719,352 |
| Moncton | 1,140,861 | —4.0 | 1,255,106 |
| Sherbrooke | 872,036 | +5.8 | 1,271,195 |
| Quebec | 5,562,416 | —4.0 | 6,147,390 |
| Montreal | 137,317,806 | —3.3 | 152,335,948 |
| Ottawa | 63,078,078 | +17.6 | 66,587,394 |
| Kingston | 901,766 | +19.8 | 851,339 |
| Peterborough | 941,616 | +11.2 | 960,139 |
| Toronto | 133,622,165 | —1.6 | 173,452,795 |
| Hamilton | 6,926,127 | —17.9 | 7,274,621 |
| St. Catharines | 1,594,683 | —4.0 | 1,406,875 |
| Kitchener | 1,268,911 | —6.6 | 1,392,279 |
| Brantford | 1,144,689 | +24.8 | 1,258,175 |
| London | 3,149,391 | +17.2 | 3,024,236 |
| Chatham | 706,902 | +4.1 | 604,488 |
| Windsor | 4,245,046 | —2.7 | 4,381,394 |
| Sarnia | 831,148 | +53.2 | 971,911 |
| Sudbury | 1,246,164 | —2.4 | 1,219,475 |
| Fort William | 1,076,705 | +1.4 | 1,207,960 |
| Winnipeg | 71,778,107 | +53.5 | 71,220,548 |
| Brandon | 523,110 | —4.0 | 565,773 |
| Regina | 6,507,933 | +13.4 | 7,462,989 |
| Moose Jaw | 824,837 | +1.8 | 1,057,048 |
| Saskatoon | 2,221,668 | +8.4 | 2,322,254 |
| Prince Albert | 618,749 | +9.6 | 664,250 |
| Edmonton | 9,449,965 | +26.1 | 8,990,848 |
| Calgary | 9,570,055 | +51.0 | 8,851,154 |
| Lethbridge | 833,162 | +13.5 | 1,044,795 |
| Medicine Hat | 479,642 | +18.3 | 479,078 |
| N. W'minster | 786,359 | —35.8 | 909,023 |
| Vancouver | 29,258,574 | +3.4 | 33,555,671 |
| Victoria | 2,323,831 | +7.0 | 2,224,289 |

## Monthly Bank Clearings

| | September 1942 | September 1943 |
|---|---|---|
| Halifax | $17,560,407 | $17,422,677 |
| Saint John | 10,107,394 | 11,751,536 |
| Moncton | 4,752,321 | 5,341,727 |
| Sherbrooke | 4,485,386 | 4,717,173 |
| Quebec | 25,145,979 | 26,113,584 |
| Montreal | 554,711,097 | 643,803,825 |
| Ottawa | 259,233,740 | 346,296,863 |
| Kingston | 3,476,248 | 3,736,277 |
| Peterborough | 3,426,367 | 4,109,728 |
| Toronto | 572,039,819 | 706,387,404 |
| Hamilton | 32,791,004 | 28,515,643 |
| St. Catharines | 5,880,007 | 6,347,165 |
| Kitchener | 5,597,722 | 5,819,868 |
| Brantford | 4,499,828 | 4,902,582 |
| London | 12,019,952 | 13,292,737 |
| Chatham | 2,653,502 | 3,071,428 |
| Sarnia | 2,249,011 | 3,869,101 |
| Fort William | 4,610,522 | 4,863,547 |
| Winnipeg | 183,085,587 | 312,963,129 |
| Brandon | 2,484,493 | 2,519,784 |
| Regina | 26,916,111 | 31,444,158 |
| Moose Jaw | 3,535,747 | 4,083,991 |
| Saskatoon | 7,946,203 | 9,515,452 |
| Prince Albert | 2,190,860 | 2,755,129 |
| Edmonton | 27,612,108 | 38,306,950 |
| Calgary | 28,319,162 | 40,723,620 |
| Medicine Hat | 1,886,274 | 2,177,812 |
| New Westminster | 4,498,962 | 3,559,936 |
| Vancouver | 113,418,793 | 127,446,450 |
| Victoria | 8,502,112 | 9,389,307 |

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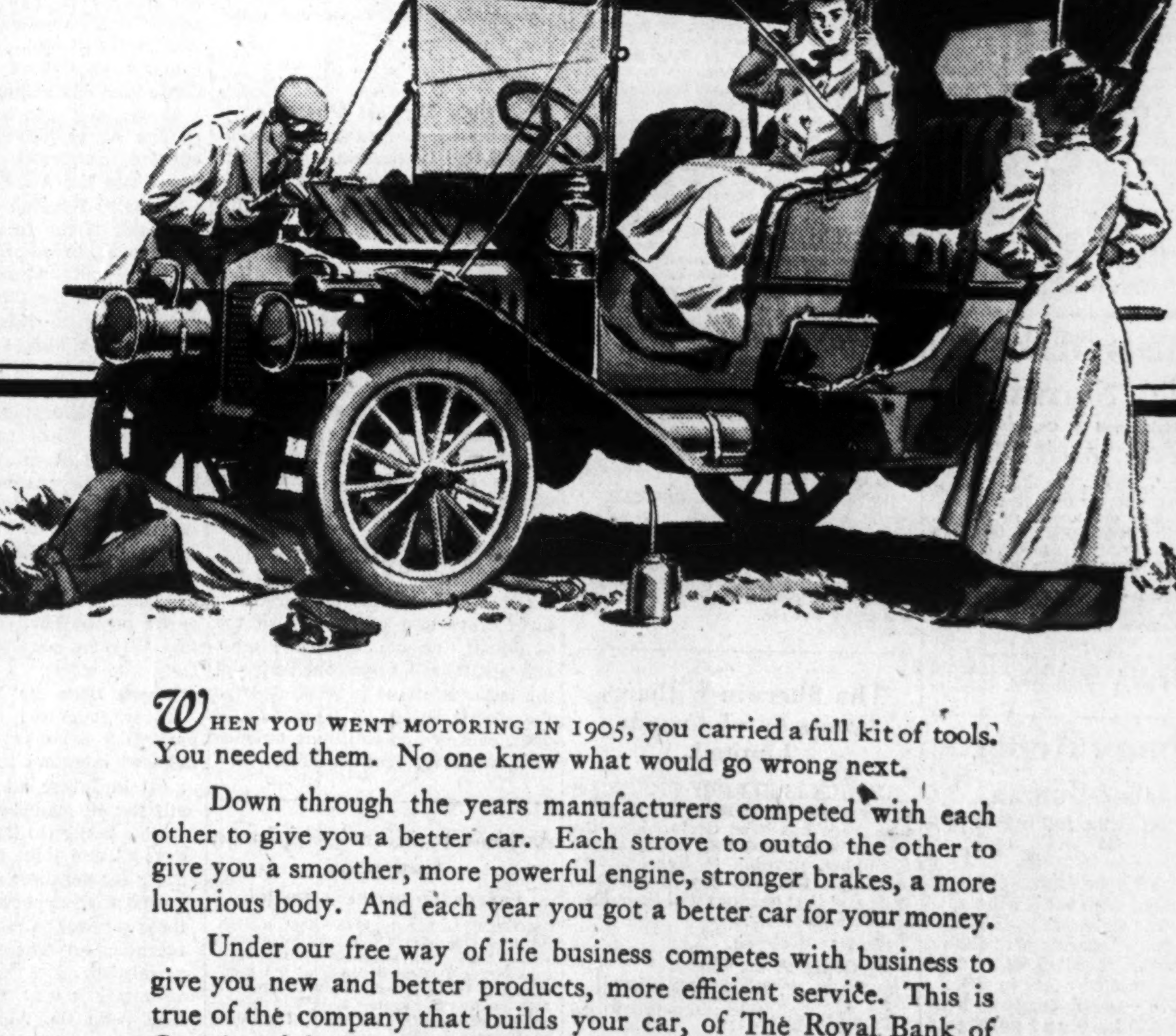
# PLEASURE DRIVING ... 1905



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**Mining**

# Northwest Canada Minerals "Hot"

## N.W.T., Yukon, Alaska Highway Area Seen Key Prospecting Ground

**In recent years there have been some indications that certain parts of Canada have been pretty well prospected—that the accessible mines in these areas have heen located.**

**But in Northwest Canada, a relatively unprospected "reserve" for future prospecting remains. As told in an accompanying story, this area, which includes the Northwest Territories, the Yukon and the Alaska Highway area, provides significant indications of further mineral deposits. While high freight rates are seen hampering exploitation of non-ferrous metal wealth, numerous rare but rich minerals are reported found which could possibly be produced despite the handicap of high freight rates.**

By GORDON M. GRANT

Will Northwest Canada prove a rich prospecting ground for prospectors after the war, replacing older areas, whose more accessible ore chances have already been tested?

Long-noted for sensational placer gold deposits of the Yukon, radium and uranium resources at Great Bear Lake, and the gold riches of the Yellowknife, Northwestern Canada—the entire Northwest Territories, Yukon and Alaska highway areas included—has been giving significant evidence of further mineral riches lately.

A. W. Jolliffe, geologist of the Dominion Department of Mines & Resources, and a specialist on field work in the Northwest Territories, this year reports the bringing out of samples of tin, tantalum, columbium, beryllium, lithium and indium.

Finds do not necessarily represent new deposits discovered — no extensive surface exploration, no diamond drilling at all has been done—but the presence of the minerals suggests commercial deposits may be present.

**Radium Minerals to Fore**

But these minerals are not alone in attracting attention. In an order-in-council covering the Northwest Territories (very much the same as another one covering the Yukon), it is reported:

"And whereas the Minister of Mines and Resources reports that it is desirable to reserve to the crown in right of Canada all radio-active substances which may occur in minerals found in, upon or under the lands including any entry or lease granted under the said regulations.

"Therefore, his excellency, the Governor-General in Council . . . is pleased to order that all radio-active substances which may occur in minerals found in, upon or under the lands included in any entry or lease shall henceforth be and they are hereby reserved to the crown in right of Canada and the right to the same shall be excepted from any entry or lease hereafter granted, such reservation to be effective immediately."

This order-in-council would seem to indicate that any further discovery of radio-active minerals in the Northwest Territories would be viewed as of exceptional interest.

Besides the rare minerals, the Northwest Territories boasts riches in non-ferrous metals — copper, lead, zinc and possibly nickel. Prohibitive freight rates have deferred opening of known deposits and the search for further ones. Construction of rail lines — which even the rare minerals by themselves, plus oil farther north, could bring about—might lead to greater interest in the non-ferrous metals.

Copper ore running as high as 20% was reported at Hunter Bay, Great Bear Lake, years ago, but even such a grade of ore has not been good enough to bring exploration with high freight rates.

In the Slave Lake country, lead-zinc deposits have been known over a decade, but their development has never been undertaken. When lead and zinc supplies throughout the world become more restricted, exploration of these deposits — and indicated deposits in Yellowknife — may become a practical economic project.

At one time, Great Bear was as noted for its silver showings as for its deposits of radium. Silver never has proved a very important product, however. But a degree of inflation after the war might raise the price of silver so silver mining would become a definitely commercial project.

While remote location, which even the Alaska Highway hasn't overcome, appears likely to retard exploitation of non-ferrous metal resources, little-known minerals, whose discovery is reported by Dr. Jolliffe are in a much higher price range. Discovery of good deposits in the N.W.T. might prove "highly economic" despite remote location. The ordinary non-ferrous metals are cheap — copper sells at only 10c. to 13c. a pound and lead and zinc fetch only around 3c. a pound when marketed under United Kingdom contracts — but tin sells for over 60c. a pound, tantalite, the ore of tantalum, fetches as much as $2.60 per pound of contained metal. Columbite, the ore of columbium, while in less demand than tantalite, also fetches a good price.

Beryllium might be produced commercially as a copper alloy by completion of a treatment plant on the spot. Indium has vied with gold on occasion as a high-priced metal. Higher priced metals can stand higher transportation costs.

As the science on metallurgy has advanced, so-called minor metals have tended to become relatively more important. With many of these minerals present in Canada's northwest, this whole country will probably be combed over closely for them sooner or later. Absence of overburden in many parts of the Northwest Territories will facilitate new prospecting; the metallurgist will probably work hand in hand with the prospector with such a wide range of minerals to keep in mind.

### Abasand Oils Reports Change in Management

Election of George B. Webster, Toronto, to the board of directors of Abasand Oils has been announced. He will hold the position of vice-president and managing director in full charge of company operations at Waterways, Alberta.

Formerly employed by the Government in the Oil Controller's offices. Mr. Webster will take the place of Earl Smith, plant superintendent at Petrolia for Canadian Oil Companies, who has been working for Abasand Oils on loan.

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COPPER IS STILL KING!

Sharp gains in Kennecot, Phelps Dodge, American Smelting and other copper stocks during last two trading sessions on N. Y. Stock Exchange are direct recognition of these conditions—

1. American copper mines are rapidly exhausting high grade reserves of copper and zinc, and must turn to low grade ore. This indicates higher prices for these metals.
2. Recent military victories inspired reckless optimism with predictions of an early end to hostilities. Statements from Churchill, Roosevelt, Knox and other leading statesmen are dissipating such unfounded hopes.
3. Canadian copper-zinc prices under the Empire Agreement are lower than any other commodity in comparison to pre-war prices, and prospects for revision at war's end are upward rather than downward.
4. Copper-zinc and related base metal producers are now told by economists and post-war planners to prepare for record consumption and expanded markets during the years of reconstruction and replacement after the war.

Base metal stocks are OVERSOLD — offerings are light. We predict market leadership for this group during October-November and have selected the following stocks as representing Canada's premier base metal producers.

NORANDA
CONSOLIDATED SMELTERS
MINING CORPORATION
SHERRITT GORDON
HUDSON BAY MINING & SMELTING
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## *Central Patricia Production Up*

In spite of a reduction of nearly 15% in the tonnage of ore milled by Central Patricia Gold Mines for the six months ended June 30, 1943, the grade milled was sufficiently increased to increase gross value of bullion production to $860,667 compared with $836,256 in the same period in 1942.

The daily tonnage milled amounted to 332 tons, with an average recovery per ton of $14,34, and the estimated net profit to $306,642 compared with $201,900 the previous year. This increase was due largely to reduced operating costs.

**Earnings Statement—Six Months Ended June 30**

| | 1943 | 1942 |
|---|---|---|
| Gross val. of prod. .. | $860,667 | $836,256 |
| Less: Oper. costs .... | 375,255 | 492,655 |
| Est. oper. profit ...... | 485,412 | 343,601 |
| Less: Depr. & outside explor., etc. ...... | 55,570 | 64,476 |
| Taxes, est. ......... | 123,200 | 77,225 |
| Est. net profit ........ | 306,642 | 201,900 |
| Est. earns. per share .. | $0.123 | $0.081 |
| Tons milled .......... | 60,016 | 70,710 |
| Tons daily .......... | 332 | 391 |
| Recovery per ton .... | $14.34 | $11.83 |

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WINNIPEG, REGINA, EDMONTON
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## *Mining* INVESTMENTS

**Growing seriousness** of heavy taxes, and labor and supply difficulties, as they affect gold mining, has been reflected in the sharp decline of gold production. Even the present level of production, however, is due to be cut still further unless there is some easing of the heavier burdens the individual gold mine must bear, it is indicated.

Pointing out this situation to shareholders, President A. J. Perron of Perron Gold Mines declares that if gold mining is to survive in Canada, the government must:

1. Adopt a sane taxation policy that adequately recognizes the speculative character of the industry.

2. Ease the restrictions against importation by gold mines of repair parts necessary to maintain existing plant in working order.

3. Ease the restrictions against the employment of men in gold mines.

* * *

**So far** there has been little to indicate any break in the clouds which cover the gold mining horizon. While some war productive programs have been curtailed, such curtailments have usually been the result of a decision to expand along other lines and there appears to have been no overall diminution in war manpower requirements.

However, the trend appears to be turning in the direction of greater preparation for meeting postwar problems and it is to be hoped that gold mining will not be allowed to disappear entirely as restoring the industry after the war might prove a difficult if not impossible task.

* * *

**In South Africa**, while gold mines have been experiencing difficulties, the war has not affected operations nearly to the same extent as in Canada. During 1942, for instance, the tonnage of ore treated was 67 million tons, a reduction from the preceding year of less than 300,000 tons. Gold production was down only 265,744 fine oz. at 14,120,617 oz. Reduction in the value of gold produced, and a corresponding decrease in earnings and dividends, might even have been experienced if there had been no war.

It has been the function of the South African gold industry, in wartime even more than in peacetime, to serve as the main support of the economy of the country, it is reported.

* * *

**The gold standard** appears to be getting more and more supporters these days. Certainly there are more people talking in favor of restoration of the gold standard, as soon as conditions permit, than has been heard during the last few years.

Last week, The Financial Post reviewed a speech of Per Jacobsson before the Swiss Bankers' Association in which he stated his conviction that a gold "prop" would be a valuable adjunct to any system of exchange worked out. The Guaranty Trust Co., big United States organization, has now come out boldly in favor of restoring a free gold standard as soon as possible after the close of the war.

"It is our belief," it declares, "that no method of stabilization yet devised or suggested is so sound or so easily operated as the international gold standard—with free coinage of gold, free markets and private ownership of gold, and currencies freely convertable in gold, both for domestic use and for shipment abroad."

### Calmont Oils

Net profits of Calmont Oils for the year ended May 31, 1943, at $24,207, were down to less than 50% of the previous year.

Revenue from the company's operations in association with Northwest Co. were reduced considerably although increased income from rentals of equipment and houses nearly offset this. Income from investments, royalties, etc., also showed a substantial decline. Profits were considerably reduced through costs incurred in the drilling of the Calmont Millarville No. 1 well which was started in Aug., 1942. These costs are shown for the year at $50,672.

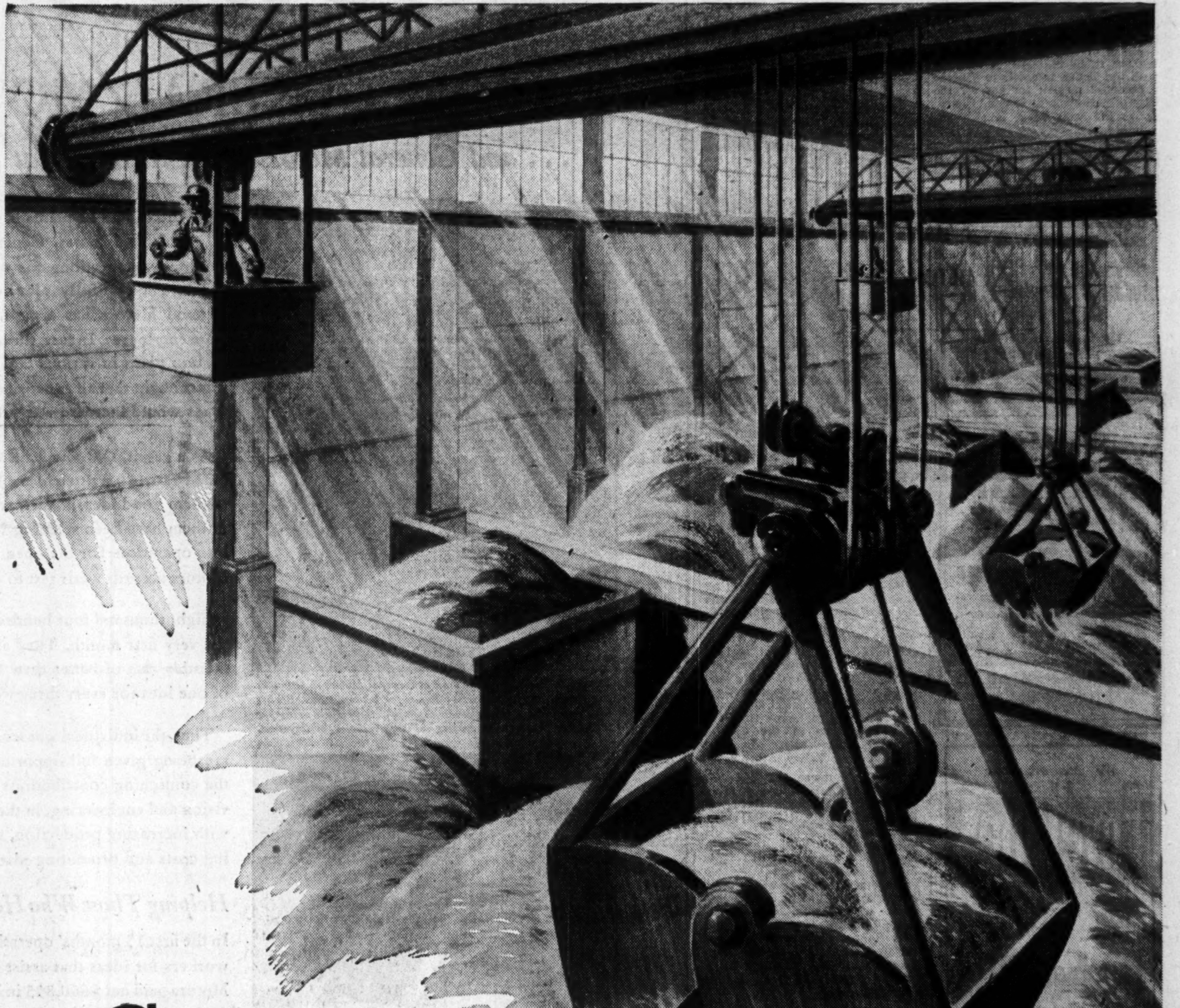
Charges for income taxes are reduced by smaller income earned and changes in tax regulations permitting increased write-offs. The increase in the capital deficit is due mainly to $100,000 written off investments. The company is at present negotiating an agreement with Wartime Oils for the development of marginal wells on its properties.

**Income, Surplus—Years Ended May 31**

| | 1943 | 1942 |
|---|---|---|
| Rentals .............. | $110,666 | $67,050 |
| Add: Oper. income .. | 27,215 | 71,966 |
| Int., divds., etc. ... | 8,444 | 19,465 |
| Total revenue ....... | 146,325 | 158,481 |
| Less: Oper. expenses . | 111,186 | 54,738 |
| Gen. & adm. exps. . | 10,932 | 12,964 |
| Income taxes ...... | ........ | 38,000 |
| Net income ......... | 24,207 | 52,779 |
| Less: Prev. deficit ... | 23,950 | 75,299 |
| Adj. development .. | 60,580 | ...... |
| Adj. depletion ..... | 20,556 | ...... |
| Other adjusted ..... | * | 1,430 |
| Deficit forward ..... | 80,879 | 23,950 |
| Earned per share .... | $3.01 | $0.023 |
| Working capital ..... | †$12,025 | †$13,116 |
| Capital deficit ...... | $1,314,365 | $1,215,159 |

†Excess of current liabilities over current assets. *Incl. in general expense.

**G. Tamblyn** reports that for the three months ending Sept. 30, 1943, sales showed a substantial increase over the corresponding period in the previous year. There were acute shortages in many lines of summer merchandise, however. Also reported is the resumption of the company's radio broadcasts, after a lapse of six months.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FOR generations man has tilled the soil and taken away the fruits of his labour from the ground, but he has, in large part, neglected to return to it the elements which are so necessary to ensure continued production. By introducing chemical fertilizer to the agricultural world, science has once again overcome and defeated one of those perplexing problems which Nature heaps upon us.

In these days of war, when every tillable acre of land is called upon to give its greatest yield and thus save valuable labour and transportation facilities for other important uses, the manufacture of fertilizer is another of those essential war industries which helps to hasten the day of victory.

This view of the fertilizer storage building at Warfield, B.C., shows the huge piles of Elephant Brand fertilizer ready for bagging and shipment to all parts of the continent and the Allied Nations.

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AND SMELTING COMPANY
OF CANADA LIMITED

NOVA SCOTIA
The Mineral Province of Eastern Canada
Fully alive to the mining industry's vital importance to the war effort, the Nova Scotia Department of Mines is continuing its activity in investigating the occurrences of the strategic minerals of manganese, tungsten and oil. It is also conducting field investigations with diamond drilling on certain occurrences of fluorite, iron-manganese, salt and molybdenum.
THE DEPARTMENT OF MINES
HALIFAX
L. D. CURRIE, Minister
A. E. CAMERON, Deputy Minister

# Teck-Hughes Earns 18 Cents

### Reduced Earnings Due to Lamaque Revenues; Development Curtailed

For the eight months ended Aug. 31, 1943, Teck-Hughes Gold Mines earned a net profit of $864,407 or 18c a share, as compared with $991,018 or 20.6c a share in the like period last year. Fall in income resulted from reduced dividends from Lamaque Gold Mines. Revenue from production of the Teck-Hughes Mines showed an increase.

During the period under review Teck-Hughes milled 66,595 tons of ore of an average grade of 6.79 dwt., compared with 61,770 tons yielding 7.01 dwt. a ton the previous year. Gross value of bullion production in the 1943 period amounted to $837,219, somewhat more than in 1942, while operating costs were also slightly lower at $424,534. Total estimated positive ore reserves at Aug. 31, 1943, show a further slight decline, standing at 314,191 tons of an average grade of 6.75 dwt. a ton. Reserves have not declined seriously since they stood at 827,696 tons on Aug. 31, 1942. A few cents rise in grade is estimated.

Reduction of development operations due to war can be seen from the fact that during the eight months ending Aug. 31, 1943, only 15 ft. of ore were opened up. Width of this ore is 6 ft., and has an average grade of 5.3 dwt. a ton. During the corresponding period last year there was a development of 189 ft. with a width of 1.1 ft. and average grade of 8.85 dwt. a ton

It is worthy of note that during the period under review practically all ore milled was taken from the upper 10 levels in the mine. In addition, ore reserves were maintained entirely from ore proved above the twentieth level. No change took place in blocks on the twentieth to fiftieth levels.

**Vera Oilfields** will commence immediately drilling a fourth well on its Saskatchewan properties. The company reports that oil sand was encountered in its No. 2 well at a depth of about 2,000 ft., the oil rising 700 ft. in the well. A contract with the Thorn interests to provide a potential market for gas for the City of Saskatoon at 5c per 1,000 cu. ft. at the well head, is also announced.

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# The Week in Oils

From Our Own Correspondent

CALGARY.—Home Oil Co. continuing to run with the luck that has marked its operations in North Turner Valley since completion of the big Home-Millarville No. 2 well in 1939, has just completed another large producer—one that appears certain of rating among the largest wells in the field.

When the new completion, Home Millarville No. 15, was kicked off for initial flow test last week, it looked like a good but not a spectacular producer. It averaged 10 bbls. hourly its first nine hours on separator, then settled to between eight and nine bbls. per hour. Then an initial 2,500 gallons of acid was applied—1,000 gallons to the upper porous zone, 500 gallons to the middle porous (an extra zone drilled at this well) and 1,000 gallons to the lower porous.

The well was kicked off, rapidly returned input oil and spent acid, and then went on steady production with an initial yield of 165 bbls. per hour. After kicking out a total of 2,700 bbls. in less than 24 hours, the well had to be closed in because all available tankage was filled. This week, the crew was testing each porous zone separately after setting a packer between the middle and lower horizons. Gas-oil ratio during post-acid flush run was less than 1,000 cu. ft. per bbl., a most satisfactory level.

The new big producer is located in L.S.D. 15 28-20-3w5, quarter of a mile west of the Home Millarville 5 producer, and just over half a mile southeast of Home Millarville 2, the original Home north valley producer, which has to date produced about 1,100,000 bbls.

• • •

### *Deepest Producer*

Currently the deepest oil producer in Canada, Northwest Hudson Bay No. 13 was last week producing steadily under its own power at better than 300 bbls. per day from the two porous zones of the "east side" lime. The two porous zones of the main uplift lime, also drilled at this well, are currently shut off by a liner, and will not be opened up for the time being, in order that the east side lime zones may be given a lengthy and full test. Daily recovery last week ranged from 305 to 320 bbls. Despite the fact that the east lime was topped at 8,985 ft., 4,934 ft. below sea level, and bottom hole is 5,384 ft. below sea level, water-free oil production was developed. On the latest runs, water comprised less than 1% of recovery.

• • •

Until the Northwest-H.B. well on the Turner Valley east side lime developed water free production almost 5,400 ft. below sea level, about 1,000 ft. deeper than the average water-line along the proven west flank of the structure, operations on the folds east of Turner Valley were almost at a standstill because some geological opinion (notably a Dominion geological survey report in 1940) held the belief that water would be found east of the Turner Valley main uplift at approximately the same elevation as along the west flank of that structure. Northwest 13 blasted that assumption, and opened up the possibility of important oil discoveries east and north, and at even greater depths.

• • •

### *More Acreage Taken Up*

No surprise, therefore, was an announcement this week that the Royalite Oil Co., Imperial subsidiary, has taken up a crown reservation on 39,893 acres, covering the bulk of acreage not already taken up extending east from Turner Valley beyond Okotoks and Aldersyde. The acreage is in Twps. 20 and 21. The Imperial Oil group has also held for some time extensive acreage in the Calling Valley-Priddis area, flanking North Turner Valley to the east.

The Commonwealth Petroleums group is the second largest acreage holder in the area, with holdings totalling about 35,000 acres, in Twps. 19, 20, 21 and 22, extending from Turner Valley to the 5th Meridian. The Sentinel Oils-Moodie interests hold extensive acreage in the Calling Valley area, east of Turner Valley. On the east fringe of this area, in Twps. 19 and 20 ranges 28 and 29w4, the New Ranchmen's Oil Co. and associated interests hold extensive acreage, and are currently drilling on the New Ranchmen's Snider and Bird wells.

• • •

Reflecting the recent oil strike at the Sparky No. 1 well, the Commonwealth Petroleums group has taken up acreage totalling almost 32,000 acres immediately north of Lloydminster in Twps. 50 and 51, ranges 1 and 2w4. The block includes some 20,000 acres of crown reservation, around 10,000 acres of C.P.R. land and about 2,000 acres of freehold, geological work has already been completed, and news of initial test-well in the area is looked for in the very near future.

• • •

### *Fort Norman Potential*

Fort Norman oilfield, Arctic Circle field being developed by Imperial Oil with the backing of the U.S. Army, produced a total of 89,929 bbls. during the first half of 1943. Daily average yield was 497 bbls. The total for six months of this year compares with output of 82,324 bbls. in all of 1942, and 23,664 bbl. in 1941.

The increased output, of course, in no way reflects the actual increase in the field's potential resulting from extensive drilling since mid-1942. Reports reaching The Financial Post earlier this summer indicated that actual productive potential at that time was several times the 497 bbl. figure given as average daily yield for the first half of 1943. Since then additional wells have been completed. In addition, experiments with acid were recently completed, and a quite satisfactory increase in productivity obtained at the well treated.

However, no great increase in the actual production will be made until the pipeline from Norman to Whitehorse (on the Alaska Highway) is completed. Work on the pipeline and the associated large refinery at Whitehorse is being rushed, and may be completed this fall. Pending this, present production will be limited to requirements in the immediate vicinity of Fort Norman, bulk of the output being obtained in brief flush runs from new completions, with the majority of wells remaining closed in.

With completion of transport and processing facilities, the wells will be opened up with the field potential probably being stepped up by extensive acidizing. When this occurs, production may increase by 1,000% or more, as compared with yield in the first half of 1943.

# Sullivan Mine Yields New Ore

Reports have been received of ore discoveries at the property of Sullivan Consolidated Mines which may prove to be of considerable importance.

From drill holes put out south from the 850-ft. level of the company's mine a drill hole is reported to have given assay values of $24.96 at $38.50 gold over a true width of 32 ft. Subsequently the company picked up what appears to be a downward extension of this ore in a raise above the 1,050 level. Officials are hopeful that the ore may prove continuous for the full distance between the levels. The ore occurs in the footwall of the No. 4 ore zone.

Preliminary diamond drilling on the company's d'Aragon-Smith property southeast of Lamaque has resulted in the completion of six holes to date. Gold is reported to have been found in these holes.

# Lamaque Gold Milling Down

### Profits For Aug. 31 Quarter Down $134,004 Compared With '42

Interim report of Lamaque Gold Mines shows considerable reduction in milling of ore for the four months ended Aug. 31, 1943, as compared with the same period in 1942.

This year's operations resulted in milling 91,945 tons of ore from which bullion recovery of $11.54 a ton was obtained.

Corresponding figures for 1942 were 129,421 tons with recovery of $11.53 a ton. Gross value of production from these operations in 1943 and 1942, respectively, amounted to $1.1 millions and $1.5 millions.

Profits of the company for the period are estimated at $396,383 or 13c a share as compared with $530,387 in 1942. Operations have left ore reserves of the mine at 1.22 million tons of an average grade of 4.96 dwt., as at Aug. 31, 1943. This compares with reserves at April 30, 1943, of 1.19 million tons with a grade of 5.05 dwt. Ore reserves have been adequately maintained since 1942 but at the expense of a somewhat lower grade of ore.

Development work has been curtailed and during the four months under review a combined length of 70 ft. of ore was developed on the 2,100-ft. level. This ore had an average width of 6 ft. and an estimated average grade of 4 dwt. Development in the like period of last year totalled 496 ft. of a width of 5.7 ft. and an average grade of 3.97 dwt.

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# 116,170 "Ideas *for* Victory"

## FROM GENERAL MOTORS WAR WORKERS

### *... and General Motors Is Rewarding that Spirit at the Rate of a Million Dollars a Year*

*Stanley E. Blair, a utility man at General Motors in Oshawa, has received $750 in Victory Bonds for his suggestion. Blair's idea resulted in a saving of thousands of dollars worth of lumber and labor in a year in crating military vehicles for shipment.*

*For a suggestion that has saved considerable labor and material in the production of fuel tanks for military vehicles, Lionel Barks has received $750 in War Savings Certificates. Mr. Barks, a General Motors employee at Oshawa, "hit the jackpot" with his twenty-ninth suggestion and he intends to make as many more as he can think of.*

IN ALL of its 112 plants in 50 cities of Canada and the United States, General Motors encourages employee suggestions for aiding war production, through a carefully planned system of awards. General Motors has always welcomed suggestions from employees. In fact, there have been similar suggestion plans in various GM plants for years, and it was thought that an expansion of these plans in these times would increase war production efficiency.

As a result, GM war workers have to date contributed 116,170 written ideas. Yes, *written* ideas. Many of them good ideas, "Victory Ideas." Nearly 20,000 of them have been winning ideas and have been put into operation. For the open mind policy of General Motors accords a fair test to every suggestion.

Eight thousand four hundred ideas were submitted the very first month. They are now coming in at a monthly rate of better than 10,000, or a yearly rate of one idea for every three workers.

Thus, the individual war workers of General Motors are being given full opportunity to add their bit to the continuing contributions of management, supervision and engineering, in those activities which deal with increasing production, saving materials, lowering costs and promoting plant safety.

### *Helping Those Who Help Our War Effort*

In the first 15 months' operation of its plan to reward workers for ideas that assist our war effort, General Motors paid out $660,895 in War Bonds and Stamps. And today the awards are being made at the rate of better than a *million dollars* a year.

General Motors considers that money well spent. It is a merited reward to those who help our war effort. It is a proper incentive for individual initiative. It is one form of appreciation to those who *think* as they work—who are not content merely to perform the requirements of their jobs.

### *Something Better, Faster*

Canadians are always interested in finding ways to do things better and faster.

This spirit among General Motors men and women—now also increased by the desire to help win Victory and to back the men at the war fronts—accounts for their inspiring performance.

There must be a great inward satisfaction for all who have submitted suggestions, in the realization that they have made some effort out of the ordinary to help win the war.

They can say of themselves, as General Motors says—"Victory Is Our Business!"

* * *

### *Some Facts Regarding GM Employee Awards*

| | |
|---|---|
| Total suggestions to date | 116,170 |
| Present monthly rate of suggestions | 10,021 |
| Suggestions put into effect | 19,995 |
| Amount in awards to date (purchase price of War Bonds and Stamps) | $660,895 |
| Present yearly rate of awards | $1,087,440 |
| Maximum award (Purchase value, War Savings Certificates and Victory Bonds) | $750 |

*The character of the suggestions accepted is indicated by the following proportions of amounts paid in awards:*

| | |
|---|---|
| War production ideas—to increase production, save materials or reduce costs | 66.9% |
| Ideas to increase safety | 21.6% |
| Miscellaneous ideas | 11.5% |

Details of the General Motors plan to encourage employee suggestions will gladly be sent to interested individuals or companies.

**We All Can Help!**

In addition to their contributions of ideas to help win the war—and to the vital importance of their regular jobs in supplying war materials—General Motors men and women are participating in all forms of war activities ... They are regularly setting aside a part of their wages for War Savings Certificates.

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# GENERAL MOTORS

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